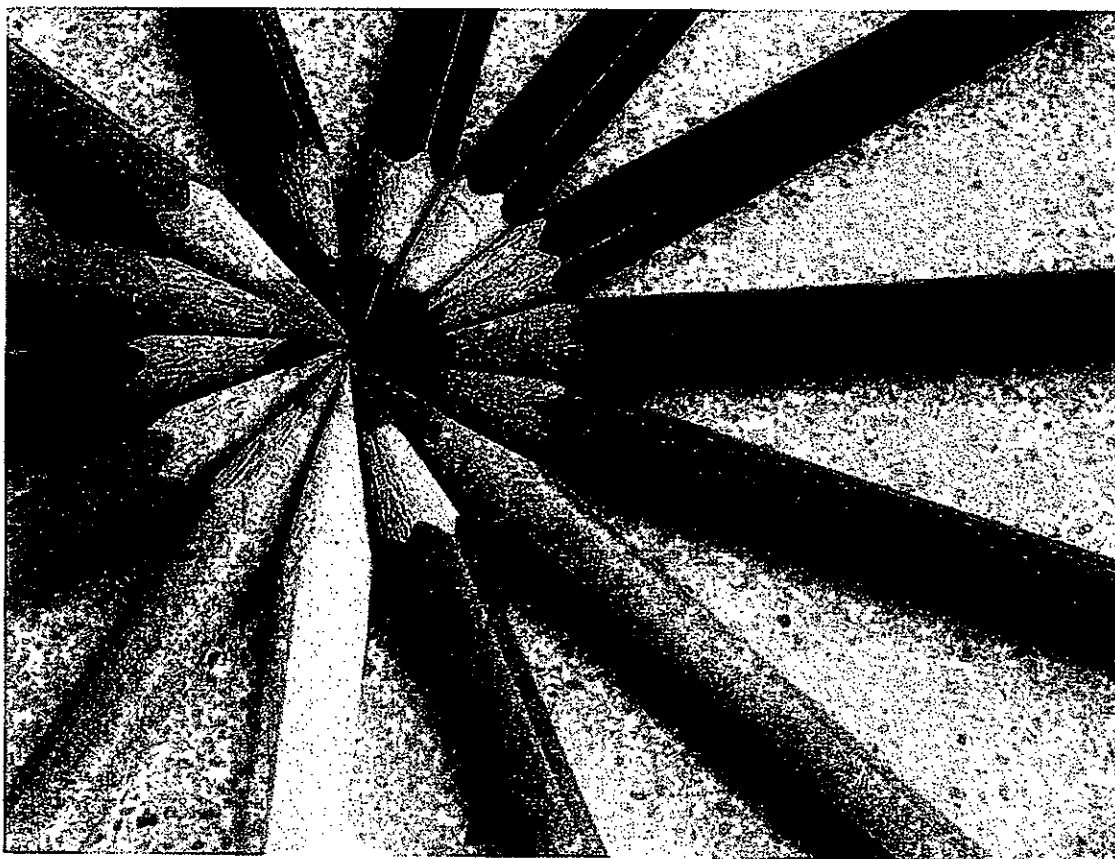


Union Parish School Board

Farmerville, Louisiana



Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/26/11

Annual Financial Report

As of and for the year ended June 30, 2010

**Union Parish School Board
Farmerville, Louisiana**

**Annual Financial Report
As of and for the Year Ended June 30, 2010**

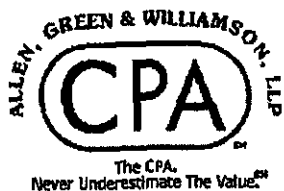
**Union Parish School Board
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**Union Parish School Board
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ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive

Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

www.allengreencpa.com

Tim Green, CPA
Margie Williamson, CPA
Amy Tynes, CPA

Aimee Buchanan, CPA
Rachel Davis, CPA
Jaime Esswein, CPA
Diane Ferschoff, CPA
Joshua Legg, CPA
Brian McBride, CPA
Jannicia Mercer, CPA
Cindy Thomason, CPA

Brent L. Allen, CPA
(Retired) 1963 - 2000

Independent Auditors' Report

Board Members
Union Parish School Board
Farmerville, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Union Parish School Board, as of and for the year ended June 30, 2010, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Union Parish School Board as of June 30, 2010, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated January 5, 2011, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis, Schedule of Funding Progress for Other Post Employment Benefit Plan, and the Budgetary Comparison Schedules, as listed in the table of contents, are not a required part of the *basic financial statements* but are supplemental information required by the Governmental Accounting Standards Board.

We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Union Parish School Board's basic financial statements. The accompanying information, identified in the table of contents as supplemental information and the Schedule of Expenditures of Federal Awards, as required by OMB Circular A-133, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The information identified in the table of contents as other information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana

January 5, 2011

Union Parish School Board

REQUIRED SUPPLEMENTAL INFORMATION

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

Union Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2010

Our discussion and analysis of Union Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2010. Please read it in conjunction with the School Board's financial statements which follow this Management's Discussion and Analysis.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments issued June 1999.

FINANCIAL HIGHLIGHTS The primary resources available to the School Board are local revenues which are primarily tax receipts, state revenues which are primarily minimum foundation funding and cost reimbursement grants, and federal revenues which are primarily cost reimbursement grants.

The fund balance of all governmental funds increased by \$251,716 during the 2009-2010 fiscal year. This increase to fund balances is due mainly to an increase in ad valorem tax collections and tight staffing/spending controls.

The School Board experienced an increase in ad valorem tax revenue of \$848,540 due mainly to an increase in assessed property values, which came mainly from pipeline values.

The amount received from the State Minimum Foundation Program increased \$909,504 due to the general calculation of the formula itself in such areas as the weighted calculations and the one-time emergency funds.

General Fund The general fund is made up of two main funding sources, which are as follows: local and state. Local sources include such items as taxes, interest, and rental that account for about 17% of the total revenue. State sources which total 83% of the revenue consist of the MFP, PIP reimbursement and other allotments. Fund balance of the General Fund increased \$413,000 mainly due to the above stated increase in ad valorem and tight staffing/spending controls.

Title I Fund This is a federal reimbursement program. There was an increase in revenue for Title I of \$489,952 due mainly to their funding formula.

Special Funds This fund includes various state and federal grant programs. Revenue for the Special Funds decreased \$285,045 due mainly to the grants awarded and the award amounts of those funded.

Other Governmental Funds This includes several cost reimbursement programs, two sales tax funds, school food service, and the District A maintenance fund. These funds had a decrease of \$161,384 due to the loss of the previous year's increase in sales tax collections.

USING THIS ANNUAL REPORT The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The government-wide financial statements, as identified in the table of contents, - Statement of Net Assets and the Statement of Activities - provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements, as identified in the table of contents, are included later in this report. For our governmental funds, the fund financial statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant

Union Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2010

funds which are the General Fund, Title I, and Special Funds. The remaining statement - the Statement of Fiduciary Assets and Liabilities - presents financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.

Financial Section

Required Supplemental Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**



**Fund
Financial Statements**

Notes to the Basic Financial Statements

Required Supplemental Information

Budgetary Information for Major Funds

Supplemental Information

**Nonmajor Funds Combining Statements
Agency Funds Statements/Schedules
Schedule of Compensation Paid Board Members**

Our auditor has provided assurance in his independent auditors' report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**Union Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2010**

Reporting the School Board as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the School Board as a whole begins with the government-wide financial statements. One of the most important questions asked about the School Board is, "Is the School Board as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which appear first in the School Board's financial statements, report information on the School Board as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School Board's net assets - the difference between assets and liabilities, as reported in the Statement of Net Assets - as one way to measure the School Board's financial health, or financial position. Over time, increases or decreases in the School Board's net assets - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the School Board's operating results. However, the School Board's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School Board.

The Statement of Net Assets and Statement of Activities report the following activity for the School Board:

Governmental activities - All of the School Board's services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

Reporting the School Board's Most Significant Funds

Fund Financial Statements

The School Board's fund financial statements provide detailed information about the most significant funds - not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes (like the School Food Service) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the School Board receives from the U.S. Department of Education). The School Board's governmental funds use the following accounting approach:

Governmental funds - All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental

Union Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2010

activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation on Statements D and F.

The School Board as Trustee

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its student activities funds, and the sales tax fund. All of the School Board's fiduciary activities are reported in the Statements of Fiduciary Assets and Liabilities. We exclude these activities from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE SCHOOL BOARD AS A WHOLE The School Board's net assets were \$4,782,569 at June 30, 2010. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets, (Table 1) and the change in net assets (Table 2) of the School Board's governmental activities.

Table 1
Net Assets
June 30,

	<u>Governmental Activities</u>		
	<u>2010</u>	<u>2009</u>	<u>Dollar Variance</u>
Current and other assets	\$6,078,155	\$5,990,337	\$ 87,818
Capital assets	3,403,071	2,736,287	666,784
Total assets	<u>9,481,226</u>	<u>8,726,624</u>	<u>754,602</u>
Current and other liabilities	2,090,914	2,254,812	(163,898)
Long-term liabilities	2,607,743	1,763,589	844,154
Total liabilities	<u>4,698,657</u>	<u>4,018,401</u>	<u>680,256</u>
Net assets			
Invested in capital assets, net of debt	3,403,071	2,736,287	666,784
Restricted	1,592,996	1,753,328	(160,332)
Unrestricted	(213,498)	218,608	(432,106)
Total net assets	<u>\$4,782,569</u>	<u>\$4,708,223</u>	<u>\$ 74,346</u>

The (\$213,498) in unrestricted net assets of governmental activities represents accumulated results of all past year's operations. It means that if the School Board had to pay off all of its bills today including all of its non-capital liabilities such as compensated absences and OPEB liability, there would be a deficit of (\$213,498).

Union Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2010

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities, reflected later as Statement B in the government-wide financial statements. Table 2 on the next page, take the information from that statement, and rearrange it slightly by grouping all revenues in the same section.

Table 2
Changes in Net Assets
For the Years Ended June 30,
Governmental Activities

	2010	2009	Dollar Variance
Net assets – beginning	\$4,708,223	\$5,161,369	\$ (453,146)
Revenues:			
Program revenues			
Charges for services	135,017	172,919	(37,902)
Federal grants	5,610,461	3,892,054	1,718,407
State grants and entitlements	497,643	1,635,347	(1,137,704)
General revenue			
Ad valorem taxes	3,254,162	2,405,622	848,540
Sales taxes	5,520,198	5,556,491	(36,293)
State minimum foundation program	16,651,457	15,741,953	909,504
Other general revenues	602,186	585,858	16,328
Total revenues	32,271,124	29,990,244	2,280,880
Functions/Program expenses:			
Instruction			
Regular programs	12,488,228	11,526,522	961,706
Special programs	3,655,569	3,175,409	480,160
Other instructional programs	3,732,518	3,506,019	226,499
Support services			
Student services	832,735	826,928	5,807
Instructional staff support	2,304,653	2,044,188	260,465
General administration	838,577	774,612	63,965
School administration	1,180,002	974,860	205,142
Business services	391,861	368,050	23,811
Plant services	2,212,694	2,179,334	33,360
Student transportation services	2,371,338	2,702,441	(331,103)
Central services	82,765	94,622	(11,857)
Food services	2,087,527	2,252,537	(165,010)
Community service programs	18,311	17,868	443
Total expenses	32,196,778	30,443,390	1,753,388
Increase (decrease) in net assets	74,346	(453,146)	527,492
Net assets - ending	\$4,782,569	\$4,708,223	\$ 74,346

Union Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2010

Governmental Activities As reported in the Statement of Activities, the cost of all governmental activities this year was \$32,196,778. The amount that taxpayers ultimately financed for these activities through School Board taxes was only \$8,774,360 because some of the cost was paid by those who benefited from the program \$135,017 or by other governments and organizations who subsidized certain programs with grants and contributions \$6,108,104. The remaining amount of \$17,179,297 was paid from Minimum Foundation Funds of \$16,651,457 and other general revenues which included interest earnings of \$99,474 and miscellaneous revenues of \$376,587 and other state revenues of \$126,125. After paying for current year expenses, fund equity increased \$74,346.

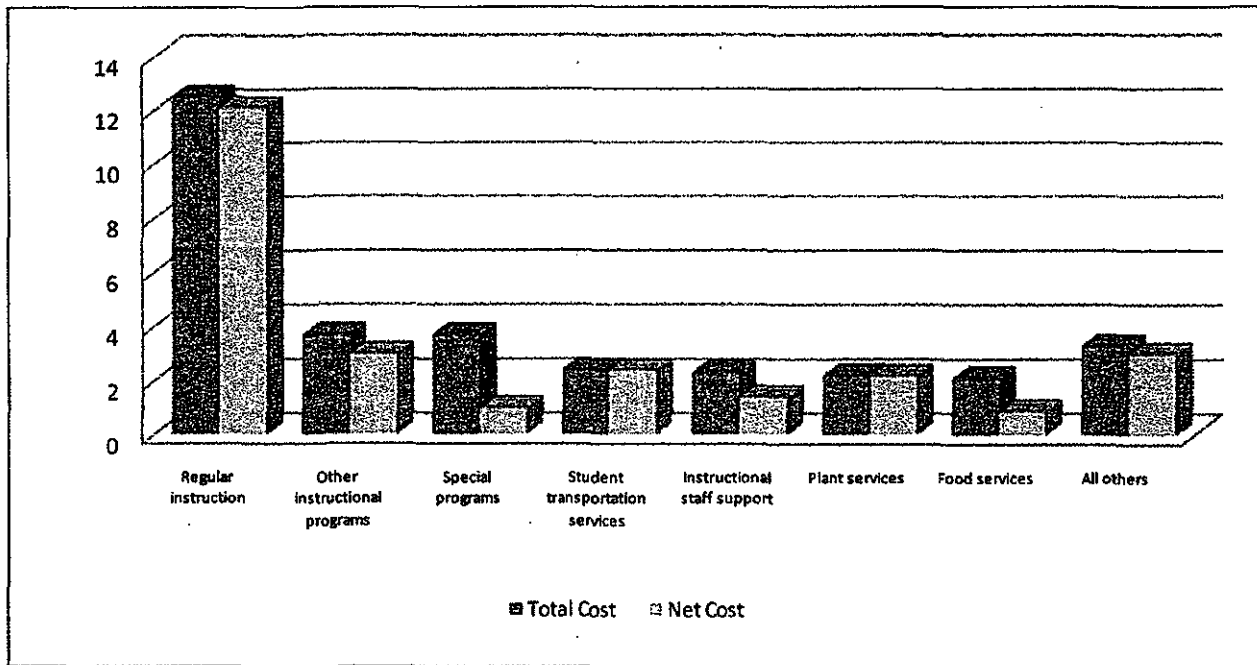
In the table below we have presented the cost of each of the School Board's generally seven largest functions (based on the total cost of service) - regular instruction, other instructional programs, special programs, student transportation services, instructional staff support, plant services, and food services, as well as each program's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3
Total Cost and Net Cost of Services
For the Years Ended June 30,

	<u>Total cost of services</u>			<u>Net cost of services</u>		
	2010	2009	Dollar Variance	2010	2009	Dollar Variance
Regular instruction	\$ 12,488,228	\$ 11,526,522	\$ 961,706	\$ 12,117,297	\$ 10,919,937	\$ 1,197,360
Other instructional programs	3,732,518	3,506,019	226,499	2,938,199	3,060,471	(122,272)
Special programs	3,655,569	3,175,409	480,160	1,015,908	763,432	252,476
Student transportation services	2,371,338	2,702,441	(331,103)	2,371,338	2,702,441	(331,103)
Instructional staff support	2,304,653	2,044,188	260,465	1,415,086	1,335,990	79,096
Plant services	2,212,694	2,179,334	33,360	2,206,847	2,162,834	44,013
Food services	2,087,527	2,252,537	(165,010)	846,361	962,229	(115,868)
All others	3,344,251	3,056,940	287,311	3,042,621	2,835,736	206,885
Totals	\$ 32,196,778	\$ 30,443,390	\$ 1,753,388	\$25,953,657	\$ 24,743,070	\$ 1,210,587

**Union Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2010**

**2010
Total Cost of Services
Versus
Net Cost of Services
(in millions)**



THE SCHOOL BOARD'S FUNDS As we noted earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the School Board's overall financial health.

General Fund Budgetary Highlights The School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the School Board's original and final budgets compared with the actual results is provided in the required supplemental information section of this report as Exhibit 1-1.)

The revisions to total revenues totaled an increase of \$540,504. Ad valorem taxes were adjusted \$770,288 after the final tax roll was completed. Each revenue was considered and adjusted as necessary to meet budget guidelines.

MFP revenue was adjusted by a decrease of \$555,253 based upon the latest MFP Budget Letter.

Budgeted expenditures were decreased by \$206,670. The expenditure functions regular programs, special education programs, other instructional programs decreased based on changes in staff and other areas. Some items previously budgeted in the general fund were moved to stabilization/stimulus funds.

Union Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2010

Title I is a federal cost reimbursement program which is based on the amount of the grant for each year. The original budget was increased by \$340,294 based on the latest award letter and to include changes that had been made since the original budget was submitted..

Special Funds' original budget was increased by \$94,470 for anticipated revenues during the year and increased by \$94,470 in expected charges to appropriations. These changes were mainly due to actual amounts that were awarded and then expended.

CAPITAL ASSETS

Capital Assets At June 30, 2010, the School Board had \$3,403,071 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions, and depreciation) of \$666,784, or less than one percent, from last year. The increase was due mainly to construction in progress which was added to buildings. Note 5 in the notes to the basic financial statements has further details.

	Capital Assets		
	June 30,		
	<u>2010</u>	<u>2009</u>	<u>Change</u>
Land	\$ 414,251	\$ 414,251	\$ -
Buildings	2,862,157	2,028,492	833,665
Furniture and equipment	126,663	293,544	(166,881)
Total	<u>\$3,403,071</u>	<u>\$2,736,287</u>	<u>\$ 666,784</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES Our elected and appointed officials and citizens consider many factors when setting the School Board's 2010-2011 fiscal year budget and tax rates. The School Board's budgets are used to gain a better overview of the financial operations of the Board and to assist management in making decisions for daily and future operations.

Approximately 80% of the general fund revenues are from the MFP and approximately 98% of state revenues also come from MFP. The MFP is driven by the student count in each parish along with each parish's local tax effort. According to the 2010-2011 MFP budget letter, the Board's February 2, 2010 funded membership was 2,584. Of this membership 2,034 were listed as "at risk" students. This factor alone is indicative of the need for the Board to continue to look for ways to increase revenue and assure Union Parish citizens that tax dollars are utilized properly. Research based studies continue to show that "at risk" students require a greater concentration of academic measures to address the many needs of this student population. Overall, student performance generally falls into the lower quartiles of the testing scale. Students require more intensive instruction through the use of multiple strategies to address a variety of learning styles. Teacher training and remediation, both during and after school hours, are necessary for students to achieve skills to be successful for state assessments and promotion. The ELL students, and/or SPED students also require resources beyond those provided by the regular education teacher. All of this leads to higher cost of educating students and this all must be considered as the School Board continues to look toward the future of education in Union Parish.

Union Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2010

Overall the District continued to make progress in the growth of School Performance Scores. To assist in this undertaking the Board has implemented the RTI, (Response To Intervention) which utilizes ed performance to tutor students in weak academic areas. Professional development for teachers in multiple instructional strategies such as meaningful engaged learning, data driven decision making, and deep curriculum alignment will be continued. Interventionists and coaches to work intensively with at risk students targeted weaknesses have been continued in areas where allocations and budgets have allowed. School improvement plans are written with specific goals for the needs of each school and are closely monitored throughout the school year.

The transfer of Bernice High School grades 9-12 to Farmerville High School was already in place and in the spring of 2010 the Board voted to bring in high school students from Marion and Spearsville, effective for the 2010-2011 school year. The Downs ville 9-12 students are slated to join effective 2011-2012 school year. This restructuring will leave the parish with a newly named Union Parish High which will require some additional facility upgrade to adequately house all incoming students. The Board looks forward to this unification of 9-12 with much anticipation. Plans to strengthen the academic programs at the high school are continuing and staffing issues are being reviewed. The Board's goal is to continue to provide the best possible education for all students while dealing with statewide and local budget issues.

When considering the financial picture of the School Board declining student enrollment continues to be a top priority. A loss of students means a loss of revenue. The School Board adopted a four day school week for the 2010-2011 school year and a parish-wide reduction in force was issued. Staffing and employee benefits continue to be the largest expenditure and must be monitored closely to assure the overall financial success of the School Board. In addition to the loss of state revenue, for each Union Parish student that enrolls at DWCS local revenue is lost as well. The Board took action to transfer the prorated portion of the sales tax transferred to DWCS from the sales tax fund into the general fund before the sales tax distributions were made to employees. The inclusion of the value of the underground pipeline and other associated values has increased the ad valorem tax revenue for the parish. However, the 15 mill temporary tax will expire in 2012 and the renewal /nonrenewal of this millage will have an effect on the upcoming financial picture of the Board as well.

Upon review of the financial statements the effort placed on increasing the fund balance for the School Board can be seen. *Many of the decisions made have been difficult and some unpopular. It has taken the combined efforts of the Board and its administration to move forward in these uncertain budget times. We look towards the future with concern, but will continue to make the necessary changes to operate the Union Parish Schools within budget requirements. Together, we can and will make a difference and continue to educate Union Parish students to provide tomorrow's leaders.*

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Donna Cranford, Business Manager, at Union Parish School Board, P. O. 308, Farmerville, Louisiana 71241-0308, telephone number (318) 368-9715.

Union Parish School Board

BASIC FINANCIAL STATEMENTS:

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

UNION PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS
June 30, 2010

	Statement A
	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and cash equivalents	\$ 3,528,677
Receivables (net)	1,846,564
Inventory	45,393
Investment in land and buildings	657,521
Capital assets not being depreciated	
Land	414,251
Capital assets being depreciated, net of depreciation	
Buildings and building improvements	2,862,157
Furniture and equipment	<u>126,663</u>
TOTAL ASSETS	<u>9,481,226</u>
LIABILITIES	
Accounts, salaries and other payables	2,074,536
Deferred revenue	16,378
Long-term liabilities	
Due within one year	407,212
Due in more than one year	<u>2,200,531</u>
TOTAL LIABILITIES	<u>4,698,657</u>
NET ASSETS	
Invested in capital assets, net of related debt	3,403,071
Restricted for:	
Salaries, benefits, and operations	463,256
School Food Service	505,385
Maintenance and upkeep of school facilities	624,355
Unrestricted	<u>(213,498)</u>
TOTAL NET ASSETS	<u><u>\$ 4,782,569</u></u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNION PARISH SCHOOL BOARD

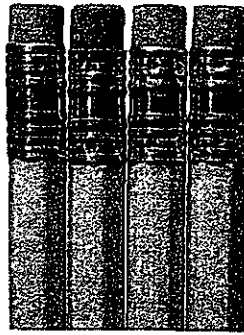
**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2010**

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			REVENUE AND CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
<i>Governmental activities:</i>				
Instruction:				
Regular programs	\$ 12,488,228	\$ 0	\$ 370,931	\$ (12,117,297)
Special programs	3,655,569		2,639,661	(1,015,908)
Other instructional programs	3,732,518		794,319	(2,938,199)
Support services:				
Student services	832,735		16,042	(816,693)
Instructional staff support	2,304,653		889,567	(1,415,086)
General administration	838,577		225,309	(613,268)
School administration	1,180,002		8,966	(1,171,036)
Business services	391,861		48,763	(343,098)
Plant services	2,212,694		5,847	(2,206,847)
Student transportation services	2,371,338		0	(2,371,338)
Central services	82,765		2,550	(80,215)
Food services	2,087,527	135,017	1,105,149	(846,361)
Community service programs	18,311		0	(18,311)
Total Governmental Activities	32,196,778	135,017	6,108,104	(25,953,657)
<i>General revenues:</i>				
Taxes:				
Property taxes, levied for general purposes				3,254,162
Sales taxes, levied for general purposes				5,520,198
Grants and contributions not restricted to specific programs				
Minimum Foundation Program				16,651,457
Other unrestricted state				126,125
Interest and investment earnings				99,474
Miscellaneous				376,587
Total general revenues				26,028,003
Changes in net assets				74,346
Net assets - beginning				4,708,223
Net assets - ending				\$ 4,782,569

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Union Parish School Board



BASIC FINANCIAL STATEMENTS:

FUND FINANCIAL STATEMENTS (FFS)

UNION PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS

Balance Sheet

June 30, 2010

	<u>GENERAL</u>	<u>TITLE I</u>	<u>SPECIAL FUNDS</u>
ASSETS			
Cash and cash equivalents	\$ 2,276,249	\$ 0	\$ 800
Receivables	104,651	375,217	379,410
Interfund receivables	1,337,923	2,310	76
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u><u>3,718,823</u></u>	<u><u>377,527</u></u>	<u><u>380,286</u></u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	2,013,475	853	800
Interfund payables	9,420	376,674	379,486
Deferred revenues	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u><u>2,022,895</u></u>	<u><u>377,527</u></u>	<u><u>380,286</u></u>
Fund Balances:			
Reserved for:			
Workers' Compensation	175,000	0	0
Property insurance	190,000	0	0
Capital Assets	278,625	0	0
Inventory	0	0	0
Unreserved, reported in:			
General Fund - Undesignated	1,052,303	0	0
Special Revenue Funds	0	0	0
Capital Project Fund	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u><u>1,695,928</u></u>	<u><u>0</u></u>	<u><u>0</u></u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 3,718,823</u></u>	<u><u>\$ 377,527</u></u>	<u><u>\$ 380,286</u></u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement C

OTHER GOVERNMENTAL		TOTAL	
\$	1,251,628	\$	3,528,677
	987,286		1,846,564
	7,034		1,347,343
	45,393		45,393
	<u>2,291,341</u>		<u>6,767,977</u>
	59,408		2,074,536
	581,763		1,347,343
	<u>16,378</u>		<u>16,378</u>
	<u>657,549</u>		<u>3,438,257</u>
	0		175,000
	0		190,000
	0		278,625
	29,015		29,015
	0		1,052,303
	1,604,777		1,604,777
	<u>0</u>		<u>0</u>
	<u>1,633,792</u>		<u>3,329,720</u>
\$	<u>2,291,341</u>	\$	<u>6,767,977</u>

Union Parish School Board



UNION PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2010**

Statement D

Total fund balances - governmental funds \$ 3,329,720

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Assets includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Costs of capital assets	\$ 13,215,368	
Depreciation expense to date	<u>(9,812,297)</u>	
		3,403,071

Investment in land and buildings 657,521

Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets.

Balances at June 30, 2010 are:

Long-term liabilities	
OPEB Liability	(1,657,684)
Compensated absences payable	<u>(950,059)</u>

Net Assets - Governmental Activities \$ 4,782,569

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNION PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2010**

	<u>GENERAL</u>	<u>TITLE I</u>	<u>SPECIAL FUNDS</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 3,032,746	\$ 0	\$ 0
Sales and use	0	0	0
Interest earnings	50,966	0	0
Food services	0	0	0
Other	219,539	0	
State sources:			
Equalization	16,228,426	0	0
Other	169,851	0	273,883
Federal sources	17,984	1,673,279	411,054
	<u>19,719,512</u>	<u>1,673,279</u>	<u>684,937</u>
Total Revenues			
	<u>19,719,512</u>	<u>1,673,279</u>	<u>684,937</u>
EXPENDITURES			
Current:			
Instruction:			
Regular programs	8,938,568	0	10,474
Special programs	1,839,815	0	20,574
Other instructional programs	886,552	1,053,585	425,882
Support services:			
Student services	656,127	0	0
Instructional staff support	1,078,180	446,411	191,217
General administration	446,486	108,507	15,773
School administration	919,737	8,966	0
Business services	288,199	48,763	0
Plant services	1,086,863	5,847	0
Student transportation services	1,865,446	0	0
Central services	79,986	0	0
Food services	202,650	0	0
Community service programs	15,119	0	2,550
Capital outlay	1,002,784	1,200	18,467
	<u>19,306,512</u>	<u>1,673,279</u>	<u>684,937</u>
Total Expenditures			
	<u>19,306,512</u>	<u>1,673,279</u>	<u>684,937</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>\$ 413,000</u>	<u>\$ 0</u>	<u>\$ 0</u>

		Statement E	
OTHER			
GOVERNMENTAL		TOTAL	
\$	221,416	\$	3,254,162
	5,520,198		5,520,198
	48,508		99,474
	135,017		135,017
	157,048		376,587
	423,031		16,651,457
	180,034		623,768
	3,508,144		5,610,461
	10,193,396		32,271,124
	2,865,752		11,814,794
	1,689,632		3,550,021
	1,254,260		3,620,279
	152,501		808,628
	501,941		2,217,749
	254,217		824,983
	217,291		1,145,994
	45,549		382,511
	1,065,263		2,157,973
	408,537		2,273,983
	1,049		81,035
	1,819,896		2,022,546
	0		17,669
	78,792		1,101,243
	10,354,680		32,019,408
	(161,284)	\$	251,716

(CONTINUED)

UNION PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2010**

	<u>GENERAL</u>	<u>TITLE I</u>	<u>SPECIAL FUNDS</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 0	\$ 0	\$ 0
Transfers out	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	413,000	0	0
FUND BALANCES - BEGINNING	<u>1,282,928</u>	<u>0</u>	<u>0</u>
FUND BALANCES - ENDING	<u><u>\$ 1,695,928</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement E	
OTHER GOVERNMENTAL	TOTAL
\$ 825,904	\$ 825,904
(825,904)	(825,904)
0	0
(161,284)	251,716
1,795,076	3,078,004
\$ 1,633,792	\$ 3,329,720

(CONCLUDED)

UNION PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2010**

Statement F

Total net change in fund balances - governmental funds	\$	251,716
--	----	---------

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlays in the period:

Depreciation expense	(\$432,934)	
Capital outlays	1,101,243	668,309

Loss on disposal of asset		(1,525)
---------------------------	--	---------

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned \$459,564 exceeded the amounts used (\$407,212) by \$52,352.

(52,352)

OPEB liability		(791,802)
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Change in net assets of governmental activities	\$	<u>74,346</u>
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THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNION PARISH SCHOOL BOARD
FIDUCIARY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2010

Statement G

	AGENCY FUND
	<hr/>
ASSETS	
Cash and cash equivalents	<hr/> \$ 276,410
Total assets	<hr/> <hr/> 276,410
 LIABILITIES	
Deposits due others	<hr/> 276,410
Total liabilities	<hr/> <hr/> \$ 276,410

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

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Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Union Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles in the United States of America.

A. REPORTING ENTITY The Union Parish School Board was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Union Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of nine members who are elected from nine districts for terms of four years.

The School Board operates seven schools within the parish with a total enrollment of approximately 2,590 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the School Board is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no *component units*, defined by GASB Statement 14 as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

B. FUNDS The accounts of the School Board are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Funds of the School Board are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds Governmental funds are used to account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of long-term debt. The School Board reports the following major governmental funds:

General fund - the primary operating fund of the School Board. It accounts for all financial resources of the School Board, except those required to be accounted for in another fund.

Title I - to improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills.

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

Special Funds - to account for various state and federal grants to assist with educational purposes.

Fiduciary Funds - Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. Trust funds account for assets held by the government under the terms of a normal trust agreement.

Agency Funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. This fund is used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

School activity agency fund - accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Sales tax collection agency fund - accounts for monies collected on behalf of other taxing authorities within the parish.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program revenues Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from cafeteria sales. Operating grants and contributions consist of the many educational grants received from the federal and state government.

Allocation of indirect expenses The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes recognized when all applicable eligibility requirements are met and are available.

Sales taxes are recognized when the underlying exchange takes place and the resources are available.

Entitlements and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met.

Other receipts become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30.

Other Financing Sources (Uses) Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Fiduciary Funds The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the School Board may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

E. INVESTMENTS Investments are limited by LSA-R.S. 33:2955 and the School Board's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure as per GASB Statement No. 31.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

G. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivable and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

H. INVENTORY Inventories of the governmental fund-type are recorded as expenditures as purchased except for inventory of the school food service fund.

Inventories of the school food service fund (special revenue fund) consist of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received (issued); however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at cost using the first-in, first-out (FIFO) method. The value of commodities inventory is the assigned values provided by the United States Department of Agriculture.

I. CAPITAL ASSETS Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed and depreciated over their estimated useful lives (including salvage value). The capitalization threshold is \$1,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings and improvements	10 - 50 years
Furniture and equipment	3 - 10 years

In 2010, the School Board implemented GASB 51, Accounting and Financial Reporting for Intangible Assets. The School Board had no intangibles that met the capitalization threshold as of June 30, 2009.

J. DEFERRED REVENUES Deferred revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed and the revenue is recognized.

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

K. COMPENSATED ABSENCES All 12-month employees earn ten days or more of cumulative vacation leave each year, based upon years of service. A maximum of 15 days may be carried over. Upon separation of employment, all unused vacation leave is forfeited.

All 12-month employees earn from 12 to 18 days of sick leave each year, depending on their length of service with the School Board, and 9-month employees earn ten days of sick leave each year. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

The School Board's recognition and measurement criteria for compensated absences follow:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as liability as the benefits are earned by the employees if both of the following conditions are met:

- A. The employees' right to receive compensation is attributable to services already rendered.
- B. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

Sabbatical leave benefits are recorded as expenditures in the period paid.

L. RESTRICTED NET ASSETS For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use unrestricted resources first, and then restricted resources as they are needed. All restricted net assets reported in the Statement of Net Assets are restricted by enabling legislation.

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

M. FUND EQUITY OF FUND FINANCIAL STATEMENTS

Reserves Reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose.

Designated Fund Balances Designations of fund balance represent tentative management plans that are subject to change.

N. INTERFUND ACTIVITY Interfund activity is reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and or subject to elimination upon consolidation. Services provided, deemed to be at market, or near market rate, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the governmental-wide financial statements.

O. SALES TAXES The voters of Union Parish approved on May 19, 1979, a one percent sales tax to be collected within Union Parish. The tax is for an indefinite period of time. The proceeds from the tax are dedicated for salaries and retirement benefits for school teachers and other school employees and/or for maintaining and operating school buildings, facilities, and equipment. The costs of collecting and administering the tax are paid from the sales tax special revenue fund.

The voters of Union Parish approved on January 20, 2001, a one percent sales tax to be collected within Union Parish. The tax is for an indefinite period of time. Eighty-five percent of the proceeds from the tax are dedicated for salaries and benefits of teachers and other school employees. The remaining fifteen percent is dedicated for constructing, improving, maintaining, and operating public schools. The School Board has the authority to fund a portion of the sales tax into bonds.

P. ENCUMBRANCES Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

Q. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

R. OTHER POST EMPLOYMENT BENEFITS The School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. The expenditures are recorded as the premiums are paid.

NOTE 2 - LEVIED TAXES The School Board levies taxes on real and business personal property located within Union Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Union Parish tax assessor and approved by the State of Louisiana Tax Commission.

The Union Parish Sheriff's Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

Property Tax Calendar

Millage rates adopted	August 10, 2009
Levy date	January 1, 2009
Tax bills mailed	November 15, 2009
Due date	December 31, 2009
Lien date	January 1, 2010
Tax sales date – 2009 delinquent property	May 12, 2010

Assessed values are established by the Union Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value:

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2008. Total assessed value was \$165,173,680 in calendar year 2009. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$34,260,502 of the assessed value in calendar year 2009.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the General Fund and District A special revenue fund. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date.

The tax roll is not prepared by the parish tax assessor until November of each year; therefore, the amount of 2010 property taxes to be collected within the next year is not known. As a result, no property taxes receivable for 2010 taxes is included on the accompanying combined balance sheet.

The following is a summary of authorized and levied (tax rate per \$1,000 assessed value) ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:			
Constitutional	3.55	3.55	Statutory
Maintenance (School District A)	1.64	1.64	2018
Maintenance (Special tax)	3.23	3.23	2019
Maintenance and operations (5-year 15 mill tax)	15.0	15.0	2012

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

NOTE 3 - DEPOSITS At June 30, 2010, the School Board has cash and cash equivalents of \$3,805,087 as follows:

Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Interest rate risk: The School Board's policy does not address interest rate risk.

Credit risk: The School Board's policy does not address credit risk.

Custodial credit risk: At year end, the School Board's carrying amount of deposits was \$3,805,087 (Statement A - \$3,528,677 and Statement G - \$276,410) and the bank balance was \$6,328,821. Of the bank balance, \$361,298 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). The remaining bank balance of \$5,967,523 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 - RECEIVABLES The receivables at June 30, 2010, are as follows:

Class of Receivables	General	Title I	Special Funds	Other Governmental	Total
Taxes:					
Ad Valorem	\$ 1,691	\$ -	\$ -	\$ 128	\$ 1,819
Sales Tax	-	-	-	398,361	398,361
Intergovernmental- grants					
Federal	-	375,143	247,147	480,498	1,102,788
State	3,502	-	132,263	94,589	230,354
Other	99,458	74	-	13,710	113,242
Total	<u>\$ 104,651</u>	<u>\$ 375,217</u>	<u>\$ 379,410</u>	<u>\$ 987,286</u>	<u>\$ 1,846,564</u>

The School Board expects to collect these balances in full; therefore, no allowance for doubtful accounts was established.

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

NOTE 5 - CAPITAL ASSETS Capital asset balances and activity for the year ended June 30, 2010, is as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities				
Capital asset not being depreciated				
Land	\$ 414,251	\$ -	\$ -	\$ 414,251
Construction in progress	-	961,262	961,262	-
Total capital assets not being depreciated	414,251	961,262	961,262	414,251
Capital assets being depreciated				
Buildings and improvements	7,799,817	961,262	-	8,761,079
Furniture and equipment	3,928,977	139,981	28,920	4,040,038
Total capital assets being depreciated	11,728,794	1,101,243	28,920	12,801,117
Accumulated depreciation				
Buildings	5,771,325	127,597	-	5,898,922
Furniture and equipment	3,635,433	305,337	27,395	3,913,375
Total accumulated depreciation	9,406,758	432,934	27,395	9,812,297
Total capital assets being depreciated, net	2,322,036	668,309	1,525	2,988,820
Governmental activities				
Capital assets, net	\$ 2,736,287	\$ 1,629,571	\$ 962,787	\$3,403,071

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 279,676
Special programs	8,659
Other instructional programs	30,738
Instructional staff support	17,317
Plant services	26,409
Student transportation services	43,726
Food services	26,409
Total depreciation expense	<u>\$ 432,934</u>

NOTE 6 - RETIREMENT SYSTEMS

Plan description Substantially all School Board employees participate in either the Teachers' Retirement System or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature.

Participation in the Teachers' Retirement System is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan A. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Louisiana Teachers' Retirement System (TRS); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

**Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010**

With respect to the Teachers' Retirement System Regular Plan, normal retirement is at age 60 with ten years of service, or at any age with 20 years of service. The formula for annual maximum retirement benefits is generally two percent (with less than 25 years of service) or 2.5 percent (with 25 or more years of service) times the years of creditable service times the average salary of the 36 highest successive months (plus \$300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers' Retirement System Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age 55 with at least 25 years of creditable service and at age 60 with at least ten years of creditable service. The retirement benefit formula is generally three percent times the years of creditable service times the average salary of the 36 highest successive months plus \$24 per year of service.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after 30 years of service, or after 25 years of service at age 55 or after ten years of service at age 60. The maximum retirement allowance is computed at 2.5 percent times the highest thirty-six months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

Both TRS and LSERS issue annual financial reports. The reports can be obtained by telephoning or writing to the following:

Teachers' Retirement System of Louisiana
Post Office Box 94123
Baton Rouge, Louisiana 70804-9123
(225) 925-6446

Louisiana School Employees' Retirement System
Post Office Box 44516
Baton Rouge, Louisiana 70804
(225) 925-6484

Funding Policy Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974. The School Board's employer contribution for the TRS is funded by deductions from local ad valorem taxes, and by remittances from the School Board. For the LSERS, the School Board's employer contribution is funded by the state of Louisiana through annual appropriations.

In addition, the employer does not remit to the Teachers' Retirement System, Regular Plan or Plan A, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the Retirement System by the state of Louisiana.

Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2010 are as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers' Retirement System:		
Regular	8.0%	15.5%
Plan A	9.1%	15.5%
Louisiana School Employees' Retirement System	7.5%	17.6%

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

Total covered payroll of the School Board for TRS - Regular Plan, TRS - Plan A, and LSERS for the year ended June 30, 2010, amounted to \$15,793,725, \$24,080, and \$1,828,298, respectively. Employer annual required contributions for the year ended June 30, 2010, and each of the two preceding years are as follows:

<u>Fiscal Year Ended</u>	<u>TRS</u>	<u>LSERS</u>
June 30, 2008	\$2,340,168	\$285,350
June 30, 2009	2,372,124	314,160
June 30, 2010	2,448,934	321,965

The annual required contributions were paid.

NOTE 7 - OTHER POST EMPLOYMENT BENEFITS Effective with the fiscal year ended June 30, 2009, the School Board implemented Government Accounting Standards Board Statement Number 45, Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions (GASB 45).

Plan description - In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. The School Board OPEB plan is a single-employer defined benefit "substantive plan" as understood by past practices of the School Board and its employees. Although no written plan or trust currently exists or is sanctioned by law, the OPEB plan is reported based on communication to plan members. Also no stand-alone report was prepared. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits and similar benefits for active employees are provided through the Office of Group Benefits, whose monthly premiums are paid jointly by the employee and the School Board.

Funding Policy - The contribution requirements of plan members and the School Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post employment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a rate schedule. Contribution amounts are approximately 25% retiree/75% employer of the stated costs of healthcare coverage.

The plan is currently financed on a "pay as you go basis", with the School Board contributing \$1,355,449 for 231 retirees for the year ended June 30, 2010.

Annual Other Post Employment Benefit Cost and Liability - The School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45, which was implemented for the year ended June 30, 2009. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities (UAL) over a period of thirty years. A 30 year amortization period (the maximum amortization period allowed by GASB 45) was used for post employment benefits. The total ARC for fiscal year 2010 is \$2,147,251 as set forth below:

Normal Cost	\$ 638,096
30-year UAL amortization amount	1,509,155
Annual required contribution (ARC)	<u>\$ 2,147,251</u>

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

The following table presents the School Board's OPEB Obligation for fiscal year 2010:

	2010	2009
Beginning Net OPEB Obligation July 1	\$ 865,882	\$ None
Annual required contribution	2,064,665	2,064,665
Interest on prior year Net OPEB Obligation	82,586	82,586
Adjustment to ARC	-	-
Annual OPEB Cost	2,147,251	2,147,251
Less current year retiree premiums	(1,355,449)	(1,281,369)
increase in Net OPEB Obligation	791,802	865,882
Ending Net OPEB Obligation at June 30	\$ 1,657,684	\$ 865,882

Utilizing the pay as you go method, the School Board contributed 63% of the annual post employment benefits cost during 2010 and 60% for 2009.

Funded Status and Funding Progress - Since the plan is not funded, the School Board's entire actuarial accrued liability of \$26,096,373 was unfunded.

The following table represents the funding status of the plan for fiscal years 2010:

Actuarial accrued liability (AAL)	\$ 26,096,373
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	26,096,373
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll	\$ 18,802,714
UAAL as a percentage of covered payroll	138.79%

The required schedule of funding progress immediately following the notes presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time.

Actuarial Methods and Assumptions Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2009, Union Parish School Board actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4% rate of return on investments. The expected rate on increase in healthcare costs was based on Pre-Medicare and Medicare eligible from 7.8% graduated down to an ultimate annual rate of 4%. The RP 2000 system table with floating Scale AA was used in making actuarial assumptions in regards to mortality rates.

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

The remaining amortization period at June 30, 2010 for other post employment benefits (OPEB) was twenty-eight years. The level dollar amortization method was used.

NOTE 8 - ACCOUNTS, SALARIES AND OTHER PAYABLES The payables at June 30, 2010, are as follows:

	General	Title I	Special Funds	Other Governmental	Total
Salaries	\$ 1,881,032	\$ -	\$ -	\$ -	\$ 1,881,032
Accounts	132,443	853	800	59,408	193,504
Total	<u>\$ 2,013,475</u>	<u>\$ 853</u>	<u>\$ 800</u>	<u>\$ 59,408</u>	<u>\$ 2,074,536</u>

NOTE 9 - COMPENSATED ABSENCES At June 30, 2010 employees of the School Board have accumulated and vested \$950,059 of employee leave benefits, including \$13,580 of salary-related benefits. These employee leave benefits were computed in accordance with GASB Codification Section C60.

NOTE 10 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY) A summary of changes in agency fund deposits due others follows:

	Balance at Beginning of Year	Additions	Deletions	Balance at Ending of Year
Agency Funds:				
School activities agency	\$ 244,106	\$ 750,287	\$ 730,883	\$ 263,510
Sales tax agency	6,548	13,375,899	13,369,547	12,900
Total	<u>\$ 250,654</u>	<u>\$14,126,186</u>	<u>\$14,100,430</u>	<u>\$ 276,410</u>

NOTE 11 - LONG-TERM LIABILITIES The following is a summary of the long-term obligation transactions for the year ended June 30, 2010:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Other liabilities:					
OPEB Liability	\$ 865,882	\$ 2,147,251	\$ 1,355,449	\$ 1,657,684	\$ -
Compensated absences	897,707	459,564	407,212	950,059	407,212
Governmental activities					
Long-term liabilities	<u>\$ 1,763,589</u>	<u>\$ 2,606,815</u>	<u>\$ 1,762,661</u>	<u>\$ 2,607,743</u>	<u>\$ 407,212</u>

The compensated absences liability attributable to the governmental activities will be liquidated 100% by the General fund.

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

NOTE 12 - INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY) Interfund receivable/payable at June 30, 2010:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General	\$ 1,337,923	Title I	\$ 376,674
		Special Funds	379,486
		Other Governmental	581,763
Title I	2,310	General Fund	2,310
Special Funds	76	General Fund	76
Other Governmental	7,034	General Fund	7,034
Total	<u>\$ 1,347,343</u>		<u>\$ 1,347,343</u>

The purposes of the interfund assets/liabilities were to cover current year expenditures on cost reimbursement programs until the reimbursements are received.

NOTE 13 - RESERVED AND DESIGNATED FUND BALANCES (FFS LEVEL ONLY)

Reservations:

Inventory This amount represents the portion of fund balance relating to inventory on hand which is therefore unavailable to be expended for other purposes.

Insurance Reserves This fund is reserved for property insurance costs.

Worker's Compensation Fund This fund is reserved for worker's compensation costs.

Capital Asset Fund This fund is designated for the purchase of capital assets such as buses and roofs to buildings.

NOTE 14 - INTERFUND TRANSFERS (FFS LEVEL ONLY) Operating transfers for the year ended June 30, 2010, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Total Transfers</u>
Other Governmental	Other Governmental	<u>\$ 825,904</u>

The purpose of interfund transfers was to transfer sales tax to appropriate funds.

NOTE 15 - LITIGATION AND CLAIMS

Litigation At June 30, 2010, the School Board is involved in a few matters involving litigation. It is the opinion of the legal advisor for the School Board that ultimate resolution of these lawsuits would not materially affect the financial statements.

Union Parish School Board
Notes to the Basic Financial Statements
June 30, 2010

Grant Disallowances The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Tax Arbitrage Rebate Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

NOTE 16 - ON-BEHALF PAYMENTS On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$6,572. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 17 - RISK MANAGEMENT The School Board is at risk for property damage, liability and theft which are covered by insurance policies.

NOTE 18 - ECONOMIC DEPENDENCY Statement of Financial Accounting Standards (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entities revenue. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$16,651,457 to the School Board, which represents approximately 52% of the School Board's total revenue for the year.

NOTE 19 - INVESTMENT IN LAND AND BUILDINGS In 2006, the School Board closed the Rocky Branch, Lillie, and Linville schools. The land and buildings for the schools in the amount of \$657,521 were reclassified as investment in land and buildings as shown on Statement A of government-wide financial statements. The schools remain closed as of June 30, 2010.

NOTE 20 - SUBSEQUENT EVENTS As of December 31, 2010, the Union Parish School Board is no longer the sales tax collecting body for sales tax in Union Parish.

Union Parish School Board

REQUIRED SUPPLEMENTAL INFORMATION

Union Parish School Board

**SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-EMPLOYMENT BENEFIT PLAN
JUNE 30, 2010**

		(a)	(b)	(b-a)	(a/b)	(c)	(b-a/c)
Year Ended	Actuarial	Actuarial	Actuarial	Unfunded	Funded	Covered	UAAL as a
June 30	Valuation	Value of	Accrued	AAL (UAAL)	Ratio%	Payroll	Percentage of
	Date	Assets	Liability				Covered
			(AAL)				Payroll
2009	7/1/2008	\$ -	\$ 26,096,373	\$ 26,096,373	0%	\$ 17,362,707	150.30%
2010	7/1/2008	-	26,096,373	26,096,373	0%	18,802,714	138.79%

Union Parish School Board

Budgetary Comparison Schedule

GENERAL FUND accounts for all activities of the School Board except those that are accounted for in other funds.

TITLE I accounts for revenue received from the federal cost reimbursement program.

SPECIAL FUNDS accounts for various state and federal cost reimbursement programs.

UNION PARISH SCHOOL BOARD

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2010**

Exhibit 1-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	AMOUNTS	
BUDGETARY FUND BALANCES, BEGINNING	\$ 826,062	\$ 1,282,928	\$ 1,282,928	\$ 0
Resources (inflows)				
Local sources:				
Ad valorem taxes	2,251,729	3,022,017	3,032,746	10,729
Interest earnings	77,375	50,966	50,966	0
Other	243,035	257,051	219,539	(37,512)
State sources:				
Equalization	16,779,679	16,224,426	16,228,426	4,000
Other	153,158	166,764	169,851	3,087
Federal sources	26,681	25,071	17,984	(7,087)
Transfers from other funds	131,000	0	0	0
Amounts available for appropriations	20,488,719	21,029,223	21,002,440	(26,783)
Charges to appropriations (outflows)				
Instruction:				
Regular programs	8,624,937	8,408,435	8,938,568	(530,133)
Special education programs	1,938,237	1,839,816	1,839,815	1
Other instructional programs	990,615	886,554	886,552	2
Support services:				
Student services	695,164	656,129	656,127	2
Instructional staff support	1,100,126	1,078,180	1,078,180	0
General administration	450,854	908,414	446,486	461,928
School administration	830,292	919,737	919,737	0
Business services	284,979	277,469	288,199	(10,730)
Plant services	1,155,370	1,086,864	1,086,863	1
Student transportation services	2,102,756	1,900,563	1,865,446	35,117
Central services	92,253	79,986	79,986	0
Food services	201,004	217,770	202,650	15,120
Community service programs	0	0	15,119	(15,119)
Capital Outlay	1,000,000	1,000,000	1,002,784	(2,784)
Transfers to other funds	350,000	350,000	0	350,000
Total charges to appropriations	19,816,587	19,609,917	19,306,512	303,405
BUDGETARY FUND BALANCES, ENDING	\$ 672,132	\$ 1,419,306	\$ 1,695,928	\$ 276,622

UNION PARISH SCHOOL BOARD

**TITLE I
Budgetary Comparison Schedule
For the Year Ended June 30, 2010**

Exhibit 1-2

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
				POSITIVE
				(NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 0	\$ 0	\$ 0	\$ 0
Resources (Inflows)				
Federal sources	1,332,985	1,673,279	1,673,279	0
Amounts available for appropriations	1,332,985	1,673,279	1,673,279	0
Charges to appropriations (outflows)				
Instruction:				
Other instructional programs	867,614	1,054,785	1,053,585	1,200
Support services:				
Instructional staff support	331,513	446,411	446,411	0
General administration	86,994	108,507	108,507	0
School administration	0	8,966	8,966	0
Business services	44,948	48,763	48,763	0
Plant services	1,916	5,847	5,847	0
Capital outlay	0	0	1,200	(1,200)
Total charges to appropriations	1,332,985	1,673,279	1,673,279	0
BUDGETARY FUND BALANCES, ENDING	\$ 0	\$ 0	\$ 0	\$ 0

*Federal Cost Reimbursement Program

UNION PARISH SCHOOL BOARD

**SPECIAL FUNDS
Budgetary Comparison Schedule
For the Year Ended June 30, 2010**

Exhibit 1-3

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
				POSITIVE
				(NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 0	\$ 0	\$ 0	\$ 0
Resources (inflows)				
Local sources:				
Interest earnings	0	0	0	0
Food services	0	0	0	0
Other	0	0	0	0
State sources:				
Other	206,091	273,883	273,883	0
Federal sources	384,376	411,054	411,054	0
Amounts available for appropriations	590,467	684,937	684,937	0
Charges to appropriations (outflows)				
Current:				
Instruction:				
Regular programs	9,889	10,474	10,474	0
Special programs	0	20,574	20,574	0
Other instructional programs	347,291	425,882	425,882	0
Support services:				
Instructional staff support	191,217	191,217	191,217	0
General administration	15,773	15,773	15,773	0
Community service programs	0	2,550	2,550	0
Capital outlay	0	18,467	18,467	0
Total charges to appropriations	564,170	684,937	684,937	0
BUDGETARY FUND BALANCES, ENDING	\$ 26,297	\$ 0	\$ 0	\$ 0

*Special Funds contains state and federal cost reimbursement programs

Union Parish School Board

Notes to the Budgetary Comparison Schedule For the Year Ended June 30, 2010

A. BUDGETS

General Budget Practices The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets to be adopted for the general fund and all special revenue funds.

Each year prior to September, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year-end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered insignificant by the Board.

Encumbrances Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are originally adopted or amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function.

UNION PARISH SCHOOL BOARD

**Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Note B - Budget to GAAP Reconciliation - Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	<u>GENERAL FUND</u>	<u>TITLE I</u>	<u>SPECIAL FUNDS</u>
<u>Sources/inflows of resources:</u>			
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 21,002,440	\$ 1,673,279	\$ 684,937
 The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	 (1,282,928)	 0	 0
 Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	 <u>19,719,512</u>	 <u>1,673,279</u>	 <u>684,937</u>
 <u>Uses/outflows of resources:</u>			
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	<u>19,306,512</u>	<u>\$ 1,673,279</u>	<u>684,937</u>
 Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	 <u>\$ 19,306,512</u>	 <u>\$ 1,673,279</u>	 <u>\$ 684,937</u>

Union Parish School Board



SUPPLEMENTAL INFORMATION

Union Parish School Board

Nonmajor Special Revenue Funds

TITLE II This program is designed to improve the skills of teachers and the quality of instruction in math and science, also to increase the accessibility of such instruction to all students.

TITLE III This program is designed to ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same challenging state academic content and student academic achievement standards as all children and youth are expected to meet.

TITLE IV To establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

LEARN AND SERVE To provide K-12 public school educators, schools, school districts with financial resources to design and implement effective service-learning programs.

ADULT EDUCATION This program was designed to improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary to function in a literate society, enable adults who so desire to complete secondary school, and enable adults to benefit from job training and retraining programs and obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship.

Special emphasis is given to programs of instruction in computational skills and in speaking, reading, or writing English for those adults who are educationally disadvantaged.

8G This grant was designed to provide computer-assisted instruction to staff in order for them to have a working knowledge of using the Internet in the classroom.

SPECIAL EDUCATION

PRESCHOOL GRANTS To provide grants to states to assist them in providing a free appropriate public education to preschool disabled children aged three through five years.

STATE GRANTS To provide grants to states to assist them in providing a free appropriate public education to all children with disabilities.

1979 SALES TAX The sales tax fund accounts for a one percent sales tax to be used to pay salaries and retirement benefits for school teachers and other school employees and/or to maintain and operate school buildings, facilities, and equipment. The School Board is the centralized sales tax collection agency for all taxing authorities in the parish. As a result, the School Board receives a fee of one percent of collections for performing the duties of the collection agency. The costs of collecting and administering the tax are paid from the fund.

2001 SALES TAX The 2001 sales tax fund accounts for a one percent sales tax, 85% is to be used for paying salaries and benefits of teachers and other school employees and 15% is to be used for constructing, improving, maintaining and operating public schools, including authority to fund a portion of the sales tax into bonds. The School Board is the centralized sales tax collection agency for all taxing authorities in the parish. As a result, the School Board receives a fee of one percent of collections for performing the duties of the collection agency. The costs of collecting and administering the tax are paid from the fund.

(Continued)

Union Parish School Board

Nonmajor Special Revenue Funds

STATE FISCAL STABILIZATION This is a one-time appropriation under the American Recovery and Reinvestment Act of 2009 to provide assistance with financial needs for educational purposes.

READING FIRST To assist in establishing reading programs for students in kindergarten through third grade that are based on scientifically based reading research to ensure that every student can read at grade level or above by the end of third grade.

VOCATIONAL EDUCATION To provide students with the opportunity to develop the knowledge, skills, and attitudes needed for employment in agriculture, home economics, industrial arts, business, etc.

ENCHANCING EDUCATION THRU TECHNOLOGY To assist students to improve their understanding of new technology.

SCHOOL FOOD SERVICE To assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

EDUCATIONAL EXCELLENCE Louisiana Revised Statute (LRS):39:98.1-98.5 established the Education Excellence Fund (EEF) as a component of the Millennium Trust. By legislative mandate, the State Department of Education has the responsibility of providing for the appropriations and oversight of monies from the Education Excellence Fund with the specific purpose of ensuring that all expenditures are used to support "excellence in educational practice."

DISTRICT A Accounts for the proceeds of an ad valorem tax dedicated for maintenance and upkeep of school facilities.

(Concluded)

UNION PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	<u>TITLE II</u>	<u>TITLE III</u>	<u>TITLE IV</u>	<u>LEARN AND SERVE</u>
ASSETS				
Cash and cash equivalents	\$ 0	\$ 0	\$ 0	\$ 0
Receivables	72,556	1,606	6,935	5,000
Interfund receivable	0	0	7,024	0
Inventory	0	0	0	0
Total Assets	<u>72,556</u>	<u>1,606</u>	<u>13,959</u>	<u>5,000</u>
LIABILITIES AND FUND EQUITY				
Liabilities				
Accounts, salaries and other payables	0	0	0	0
Interfund payable	72,556	1,606	13,959	1,869
Deferred revenue	0	0	0	0
Total Liabilities	<u>72,556</u>	<u>1,606</u>	<u>13,959</u>	<u>1,869</u>
Fund Equity				
Fund Balances:				
Reserved for inventory	0	0	0	0
Unreserved and undesignated	0	0	0	3,131
Total Equity	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,131</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 72,556</u>	<u>\$ 1,606</u>	<u>\$ 13,959</u>	<u>\$ 5,000</u>

Exhibit 2

ADULT EDUCATION	8G	SPECIAL EDUCATION	1979 SALES TAX	2001 SALES TAX	STATE FISCAL STABILIZATION
\$ 0	\$ 0	\$ 0	\$ 35,446	\$ 22,181	\$ 0
56,196	50,371	322,191	212,879	199,181	0
0	0	0	0	0	0
0	0	0	0	0	0
56,196	50,371	322,191	248,325	221,362	0
0	0	0	3,961	0	0
56,196	50,371	322,191	2,470	0	0
0	0	0	0	0	0
56,196	50,371	322,191	6,431	0	0
0	0	0	0	0	0
0	0	0	241,894	221,362	0
0	0	0	241,894	221,362	0
\$ 56,196	\$ 50,371	\$ 322,191	\$ 248,325	\$ 221,362	\$ 0

(CONTINUED)

UNION PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2010

	READING FIRST	VOCATIONAL EDUCATION	ENHANCING EDUCATION THRU TECHNOLOGY	SCHOOL FOOD SERVICE
ASSETS				
Cash and cash equivalents	\$ 0	\$ 0	\$ 303	\$ 485,664
Receivables	17,517	7,263	35,463	0
Interfund receivable	0	0	0	10
Inventory	0	0	0	45,393
Total Assets	17,517	7,263	35,766	531,067
LIABILITIES AND FUND EQUITY				
Liabilities				
Accounts, salaries and other payables	0	1	0	9,304
Interfund payable	17,517	7,262	35,766	0
Deferred revenue	0	0	0	16,378
Total Liabilities	17,517	7,263	35,766	25,682
Fund Equity				
Fund Balances:				
Reserved for inventory	0	0	0	29,015
Unreserved and undesignated	0	0	0	476,370
Total Equity	0	0	0	505,385
TOTAL LIABILITIES AND FUND EQUITY	\$ 17,517	\$ 7,263	\$ 35,766	\$ 531,067

Exhibit 2

EDUCATION EXCELLENCE	DISTRICT A	TOTAL
\$ 37,665	\$ 670,369	\$ 1,251,628
0	128	987,286
0	0	7,034
0	0	45,393
<u>37,665</u>	<u>670,497</u>	<u>2,291,341</u>
0	46,142	59,408
0	0	581,763
0	0	16,378
<u>0</u>	<u>46,142</u>	<u>657,549</u>
0	0	29,015
<u>37,665</u>	<u>624,355</u>	<u>1,604,777</u>
<u>37,665</u>	<u>624,355</u>	<u>1,633,792</u>
<u>\$ 37,665</u>	<u>\$ 670,497</u>	<u>\$ 2,291,341</u>

(CONCLUDED)

UNION PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2010

	<u>TITLE II</u>	<u>TITLE III</u>	<u>TITLE IV</u>	<u>LEARN AND SERVE</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 0	\$ 0	\$ 0	\$ 0
Sales and use	0	0	0	0
Interest earnings	0	0	0	0
Food services	0	0	0	0
Other	0	0	0	4,425
State sources:				
Equalization	0	0	0	0
Other	0	0	0	5,000
Federal sources	<u>284,440</u>	<u>26,701</u>	<u>16,363</u>	<u>0</u>
 Total revenues	 <u>284,440</u>	 <u>26,701</u>	 <u>16,363</u>	 <u>9,425</u>
 EXPENDITURES				
Current:				
Instruction:				
Regular programs	0	0	0	0
Special Programs	0	0	0	0
Other instructional programs	225,159	1,734	0	0
Support services:				
Student services	0	0	16,042	0
Instructional staff support	39,777	5,443	0	6,294
General administration	19,504	524	321	0
School administration	0	0	0	0
Business services	0	0	0	0
Plant services	0	0	0	0
Student transportation services	0	0	0	0
Central services	0	0	0	0
Food services	0	0	0	0
Capital outlay	<u>0</u>	<u>19,000</u>	<u>0</u>	<u>0</u>
 Total expenditures	 <u>284,440</u>	 <u>26,701</u>	 <u>16,363</u>	 <u>6,294</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 3,131</u>

Exhibit 3

ADULT EDUCATION	8G	SPECIAL EDUCATION	1979 SALES TAX	2001 SALES TAX	STATE FISCAL STABILIZATION
0	\$ 0	0	\$ 0	\$ 0	\$ 0
0	0	0	2,759,358	2,760,840	0
0	0	0	14,806	20,368	0
0	0	0	0	0	0
0	0	0	148,874	0	0
0	0	0	0	0	0
9,212	128,090	13,168	0	0	0
68,666	0	1,270,136	0	0	525,223
<u>77,878</u>	<u>128,090</u>	<u>1,283,304</u>	<u>2,923,038</u>	<u>2,781,208</u>	<u>525,223</u>
0	2,546	52,299	1,306,918	1,284,651	219,338
0	0	985,470	352,903	351,259	0
77,878	118,044	126,578	168,667	152,549	305,885
0	0	0	71,048	64,217	0
0	7,500	43,359	140,375	139,478	0
0	0	72,617	132,657	15,289	0
0	0	0	108,350	108,941	0
0	0	0	16,246	16,291	0
0	0	0	115,739	114,630	0
0	0	0	203,677	204,860	0
0	0	0	0	0	0
0	0	0	175,831	177,522	0
0	0	2,981	0	0	0
<u>77,878</u>	<u>128,090</u>	<u>1,283,304</u>	<u>2,790,411</u>	<u>2,629,687</u>	<u>525,223</u>
\$ 0	\$ 0	\$ 0	\$ 132,627	\$ 151,521	\$ 0

(CONTINUED)

UNION PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2010**

	<u>TITLE II</u>	<u>TITLE III</u>	<u>TITLE IV</u>	<u>LEARN AND SERVE</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Transfers out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	0	0	3,131
FUND BALANCES - BEGINNING	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - ENDING	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,131</u>

Exhibit 3

<u>ADULT EDUCATION</u>	<u>8G</u>	<u>SPECIAL EDUCATION</u>	<u>1979 SALES TAX</u>	<u>2001 SALES TAX</u>	<u>STATE FISCAL STABILIZATION</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	(412,952)	(412,952)	0
0	0	0	(412,952)	(412,952)	0
0	0	0	(280,325)	(261,431)	0
0	0	0	522,219	482,793	0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 241,894</u>	<u>\$ 221,362</u>	<u>\$ 0</u>

(CONTINUED)

UNION PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Change in Fund Balances
For the Year Ended June 30, 2010

	READING FIRST	VOCATIONAL EDUCATION	ENHANCING EDUCATION THRU TECHNOLOGY	SCHOOL FOOD SERVICE
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 0	\$ 0	\$ 0	\$ 0
Sales and use	0	0	0	0
Interest earnings	0	0	0	7,416
Food services	0	0	0	135,017
Other	0	0	0	1,953
State sources:				
Equalization	0	0	0	423,031
Other	0	0	0	0
Federal sources	41,431	49,094	119,941	1,106,149
				0
Total revenues	41,431	49,094	119,941	1,673,566
EXPENDITURES				
Current:				
Instruction:				
Regular programs	0	0	0	0
Special Programs	0	0	0	0
Other instructional programs	41,431	34,252	0	0
Support services:				
Student services	0	0	1,194	0
Instructional staff support	0	14,839	104,876	0
General administration	0	3	6,866	0
School administration	0	0	0	0
Business services	0	0	0	0
Plant services	0	0	0	0
Student transportation services	0	0	0	0
Central services	0	0	0	0
Food services	0	0	0	1,466,543
Capital outlay	0	0	7,005	7,810
Total expenditures	41,431	49,094	119,941	1,474,353
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	\$ 0	\$ 0	\$ 0	\$ 199,213

Exhibit 3

EDUCATION EXCELLENCE	DISTRICT A	TOTAL
\$ 0	\$ 221,416	\$ 221,416
0	0	5,520,198
0	5,918	48,508
0	0	135,017
0	1,796	157,048
0		
0	0	423,031
0	24,564	180,034
0	0	3,508,144
0	253,694	10,193,396
0	0	2,865,752
0	0	1,689,632
4,083	0	1,254,260
0	0	152,501
0	0	501,941
0	6,436	254,217
0	0	217,291
0	13,012	45,549
0	834,894	1,065,263
0	0	408,537
0	1,049	1,049
0	0	1,819,896
0	41,996	78,792
4,083	897,387	10,354,680
(4,083)	(643,693)	(161,284)

UNION PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Change in Fund Balances
For the Year Ended June 30, 2010

	READING FIRST	VOCATIONAL EDUCATION	ENHANCING EDUCATION THRU TECHNOLOGY	SCHOOL FOOD SERVICE
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Transfers out	0	0	0	0
Total other financing sources (uses)	0	0	0	0
Net Change in Fund Balances	0	0	0	199,213
FUND BALANCES - BEGINNING	0	0	0	306,172
FUND BALANCES - ENDING	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 505,385</u>

Exhibit 3

EDUCATION EXCELLENCE	DISTRICT A	TOTAL
\$ 0	\$ 825,904	\$ 825,904
0	0	(825,904)
0	825,904	0
(4,083)	182,211	(161,284)
41,748	442,144	1,795,076
\$ 37,665	\$ 624,355	\$ 1,633,792

(CONCLUDED)

Union Parish School Board

Agency Funds

SCHOOL ACTIVITIES FUND The activities of the various individual school accounts are accounted for in the school activities agency fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

SALES TAX COLLECTION FUND The sales tax collection agency accounts for monies collected on behalf of the other taxing authorities in Union Parish. Upon receipts of sales tax returns and monies, the School Board issues checks to other taxing authorities periodically throughout each month.

UNION PARISH SCHOOL BOARD

AGENCY FUNDS

**Combining Schedule of Changes in Assets and Liabilities
For the Year Ended June 30, 2010**

Exhibit 4

	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
*****SCHOOL ACTIVITIES FUND*****				
ASSETS				
Cash and cash equivalents	\$ 244,106	\$ 750,287	\$ 730,883	\$ 263,510
LIABILITIES				
Deposits due others	244,106	750,287	730,883	263,510
*****SALES TAX COLLECTION FUND*****				
ASSETS				
Cash and cash equivalents	6,548	13,375,899	13,369,547	12,900
LIABILITIES				
Deposits due others	6,548	13,375,899	13,369,547	12,900
*****TOTAL*****				
ASSETS				
Cash and cash equivalents	250,654	14,126,186	14,100,430	276,410
LIABILITIES				
Deposits due others	\$ 250,654	\$ 14,126,186	\$ 14,100,430	\$ 276,410

UNION PARISH SCHOOL BOARD

**SCHOOL ACTIVITIES AGENCY FUND
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2010**

Exhibit 5

SCHOOL	Balance, Beginning	Additions	Deductions	Balance, Ending
BERNICE HIGH	\$ 38,754	\$ 14,611	\$ 14,455	\$ 38,910
DOWNSVILLE HIGH	60,749	165,205	175,874	50,080
FARMERVILLE ELEMENTARY	53,364	94,925	98,475	49,814
FARMERVILLE HIGH	38,728	227,443	210,370	55,801
FARMERVILLE JUNIOR HIGH	15,409	81,879	70,223	27,065
MARION HIGH	35,021	50,520	57,614	27,927
SPEARSVILLE HIGH	<u>2,081</u>	<u>115,704</u>	<u>103,872</u>	<u>13,913</u>
Total	<u>\$ 244,106</u>	<u>\$ 750,287</u>	<u>\$ 730,883</u>	<u>\$ 263,510</u>

UNION PARISH SCHOOL BOARD
SALES TAX COLLECTION AGENCY FUND
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2010

Exhibit 6

DEPOSIT BALANCE AT BEGINNING OF YEAR

\$ 6,548

ADDITIONS

Sales tax collections

13,375,899

DEDUCTIONS

Transfer to general fund - sales tax collection fee

132,710

Payments to:

Union Parish Sheriff

2,753,012

Union Parish School Board

2,753,012

Union Parish School Board #2

2,753,014

Union Parish Police Jury

2,753,096

City of Farmerville

919,737

City of Farmerville #2

459,871

Town of Bernice

227,248

Town of Marion

511,638

Village of Junction City

7,700

Revenue Recovery

51,927

Audit fee (sales tax vendors)

43,376

Other expenses (refunds)

3,208

Total deductions

13,369,547

DEPOSIT BALANCE AT END OF YEAR

\$ 12,900

Union Parish School Board

**Schedule of Compensation Paid Board Members
As of and For the Year Ended June 30, 2010**

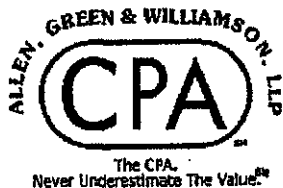
Exhibit 7

The schedule of compensation paid to the School Board Members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$550 per month, and the president receives \$600 per month for performing the duties of this office.

Mr. Michael Holley, President	\$ 7,200
Mr. Robert C. James, Jr.	6,600
Mr. Jimmy Hollis	6,600
Mrs. Barbara Yarbrough	6,600
Mr. Howard Curtis Allen, Vice-President	6,600
Mr. John Ellis	6,600
Mr. Casey Kennedy	6,600
Mr. Mark Steven Johnson	6,600
Mr. Marcus Wade Watley	<u>6,600</u>
Total	<u>\$ 60,000</u>

Union Parish School Board

SINGLE AUDIT INFORMATION



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive

Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4684

Toll-free: (888) 741-0205

www.allengreencpa.com

Tim Green, CPA
Margie Williamson, CPA
Amy Tynnes, CPA

Aimee Buchanan, CPA
Rachel Davis, CPA
Jaime Esswein, CPA
Diane Ferschoff, CPA
Joshua Legg, CPA
Brian McBride, CPA
Jannicia Mercer, CPA
Cindy Thomason, CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Board Members
Union Parish School Board
Farmerville, Louisiana

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Union Parish School Board as of and for the year ended June 30, 2010, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated January 5, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the School Board's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School Board's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs as items 10-F1 and 10-F2 which we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matter that is required to be reported under Government Auditing Standards which is described in the accompanying Schedule of Findings and Questioned Costs as item 10-F1.

The School Board's responses to the findings identified in our audit are described in the accompanying Corrective Action Plan for Current-Year Findings. We did not audit the School Board's responses and, accordingly, we express no opinion on the responses.

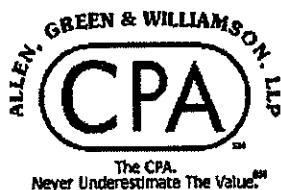
We also noted a certain matter that we reported to management of the School Board in a separate letter dated January 5, 2011.

This report is intended solely for the information and use of the school board members, management, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this letter may be limited, under Louisiana Revised Statute 24:513 this letter is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
January 5, 2011



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

www.allengreencpa.com

Tim Green, CPA
Margie Williamson, CPA
Amy Tynes, CPA

Aimee Buchanan, CPA
Rachel Davis, CPA
Jaime Esswein, CPA
Diane Ferschoff, CPA
Joshua Legg, CPA
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(Retired) 1963 - 2000

Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Board Members
Union Parish School Board
Farmerville, Louisiana

Compliance

We have audited Union Parish School Board's compliance with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2010. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America; and OMB Circular A-133, Audits of States, Local Governments, and Non Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the School Board's compliance with those requirements.

In our opinion, the School Board complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as it items 10-F3, 10-F4, and 10-F5.

Internal Control over Compliance

Management of the School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion of the effectiveness of the School Board's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying Schedule of Findings and Questioned Costs as items 10-F3, 10-F4, 10-F5 and 10-F6. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The School Board's responses to the findings identified in our audit are described in the accompanying Corrective Action Plan for Current-Year Findings. We did not audit the School Board's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the Board, management, others within the School Board, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
January 5, 2011

Union Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Exhibit 8

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA Number	Pass Through Grantor No.	Expenditures
United States Department of Agriculture			
Passed Through Louisiana Department of Education:			
Child Nutrition Cluster:			
Non Cash Assistance (Commodities):			
National School Lunch Program	10.555	NONE	\$ 72,974
Cash Assistance:			
National School Lunch Program	10.555	NONE	712,254
School Breakfast Program	10.553	NONE	313,111
Total Child Nutrition Cluster			<u>1,025,365</u>
USDA ARRA Equipment Grant	10.579	NONE	7,810
Total United States Department of Agriculture			<u>1,106,149</u>
United States Department of Education			
Passed through Louisiana Department of Education:			
Adult Education - State Grant Program	84.002A	28-10-44-56	68,666
Title I Part A Cluster:			
Basic Grant Program	84.010A	28-09-TA-56 28-10-T1-56	1,169,660
Title I ARRA	84.389A	28-09-A1-56	503,619
Total Title I Part A Cluster			<u>1,673,279</u>
Title II (Teacher and Principal Training and Recruiting)	84.367A	28-10-50-56	284,440
Title III (English Language Acquisition Grants)	84.365A	28-10-60-56	26,701
Title IV (Safe and Drug Free Communities - State Grants)	84.186	28-10-70-56	16,363
Special Education Cluster:			
Grants to States (Part B)	84.027A	28-10-B1-56 28-09-SW-56 28-09-NP-56 28-10-B6-56	928,196
Preschool Grants	84.173A	28-10-P1-56	18,303
IDEA Part B ARRA	84.391A	28-09-A1-56	566,644
Preschool Grants ARRA	84.392A	28-09-AP-56	4,977
Total Special Education Cluster			<u>1,518,120</u>
Vocational Education: Basic Grants to States	84.048A	28-10-02-56 28-09-02-56	49,094
Educational Technology State Grants Cluster:			
Enhancing Education Through Technology	84.318X	28-10-49-56	14,927
Enhancing Education Through Technology ARRA	84.386A	28-09-S6-56 28-09-S9-56	105,014
Total Educational Technology State Grants Cluster			<u>119,941</u>
Reading First State Grant	84.357A	28-09-RF-56	41,431
State Fiscal Stabilization ARRA	84.394A	28-10-AS-56	525,223
School Improvement Fund 1003(g)	84.377A	28-09-TC-56	142,881
Total United States Department of Education			<u>4,466,139</u>

Union Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

FEDERAL GRANTOR/

PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA Number</u>	<u>Pass Through Grantor No.</u>	<u>Expenditures</u>
United States Department of Health and Human Services			
Passed through the Louisiana Department of Education			
TANF - Cecil J. Picard LA 4 Early Childhood Program	93.558	28-10-36-56	34,218
TANF - Strategies to empower people (STEP)	93.558	28-10-E3-56	3,955
Total United States Department of Health and Human Services			<u>38,173</u>
TOTAL FEDERAL AWARDS			<u><u>\$ 5,610,461</u></u>

Union Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Union Parish School Board (the "School Board"). The School Board reporting entity is defined in Note 1 in the School Board's Notes to the Financial Statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's Notes to the Financial Statements.

NOTE 3 - RELATIONSHIP TO FINANCIAL STATEMENTS Federal awards expenditures are reported in the School Board's financial statements as follows:

	<u>Federal Sources</u>
Major Funds:	
General Fund	\$ 17,984
Title I	1,673,279
Special Funds	411,054
Nonmajor funds:	
Title II	284,440
Title III	26,701
Title IV	16,363
Adult Education	68,666
Special Education	1,270,136
State Fiscal Stabilization	525,223
Reading First	41,431
Vocational Education	49,094
Enhancing Education Thru Technology	119,941
School Food Service	1,106,149
Total	<u>\$ 5,610,461</u>

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - MATCHING REVENUES For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 - NONCASH PROGRAMS The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

**Union Parish School Board
Schedule of Findings and Questions Costs
For the Year Ended June 30, 2010**

PART I - Summary of the Auditors' Results

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were two significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America. The significant deficiencies were not considered to be material weaknesses.
- iii. There was one instance of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statement.

Audit of Federal Awards

- iv. There were four significant deficiencies required to be disclosed by OMB Circular A-133. The significant deficiencies were not considered to be material weaknesses.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit disclosed four audit findings which the auditor is required to report under OMB Circular A-133, Section .510(a).
- vii. The major federal programs are:

Child Nutrition Cluster:

School Breakfast Program	CFDA# 10.553
National School Lunch Program	CFDA# 10.555

Title I cluster:

Title I Part A	CFDA# 84.010A
Title I ARRA	CFDA# 84.389A

Special Education cluster:

IDEA (Part B)	CFDA# 84.027A
IDEA (Part B) ARRA	CFDA# 84.391A
Preschool Grants	CFDA# 84.173A
Preschool Grants ARRA	CFDA# 84.392A

State Fiscal Stabilization Fund – Recovery Funds	CFDA# 84.394A
--	---------------

- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular A-133, Section .520(b) was \$300,000.
- ix. The auditee does qualify as a low-risk auditee under OMB Circular A-133, Section .530.

**Union Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010**

PART II – Findings related to financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Reference # and title: **10-F1** **Violations of the Local Government Budget Act**

Entity-Wide or program /department specific: This finding is entity-wide.

Criteria or specific requirement: Louisiana Revised Statute 39:1307 requires the School Board to publish a newspaper advertisement which is to be published at least ten days prior to the date of the public hearing and adoption of the budget.

Condition: The School Board's budget advertisement was not published at least ten days before the public hearing and adoption of the 2009-2010 budget.

Possible asserted effect (cause and effect):

Cause: The budget advertisement was sent to the newspaper but was not published. When this was discovered, it was too late to advertise.

Effect: The School Board is in violation of Louisiana Revised Statute 39:1307 in regards to the 2009-2010 budget adoption process.

Recommendations to prevent future occurrences: The School Board should ensure that the budget advertisement sent to the newspaper for publication is actually published as required by law at least ten days from the public hearing and adoption of the budget.

Reference # and title: **10-F2** **Student Activity Funds**

Entity-Wide or program /department specific: This finding is specific to student activity funds.

Criteria or specific requirement: Schools should follow the best practices stated in the Louisiana Legislative Auditor's School Accounting Procedures Manual.

Condition found: While testing fifteen receipts at one school, it was noted that nine of them were deposited more than three business days after being received.

While testing fifteen disbursements at one school the following exceptions were noted:

- Eight exceptions were noted in which the checks were signed by an authorized check signer other than the principal.
- Two exceptions were noted where the check amounts did not agree to the supporting documentation, due to the documentation not being provided.
- Seven exceptions were noted where the invoice was not properly approved prior to the payment.
- Six exceptions were noted where the invoice was not properly approved by the sponsor prior to the payment.
- Five exceptions noted where sales tax was paid on purchases.

**Union Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010**

PART II – Findings related to financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Possible asserted effect (cause and effect):

Cause: The auditor was unable to determine the cause for the exceptions noted above.

Effect: Internal controls over the student activity funds are weakened.

Recommendations to prevent future occurrences: The school should implement procedures to ensure documentation is retained and receipts and disbursements are adequately controlled with supporting documentation and deposits are made timely. The procedures followed at each school should be within the guidelines set forth by the School Board's student activity funds policy and procedures.

**Union Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010**

PART III - Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section (a):

Reference # and title: 10-F3 Recording of Revenues and Expenditures

Federal program and specific Federal award identification: This finding relates to the Child Nutrition Cluster: School Breakfast Program CFDA# 10.553 and National School Lunch Program CFDA# 10.555 for the Federal Award Year 2010 received from Federal Agency: U.S. Department of Agriculture, passed through the Louisiana Department of Education.

Criteria or specific requirement: At year end the School Board is required to submit the income and expense report to the Louisiana Department of Education for the fiscal year which should reflect amounts per the accounting records of the School Food Service fund based on the LDOE's prescribed object codes and functions. It is of utmost importance that revenue and expenditures be reflected correctly in the accounting records and thus, on the income and expense report.

Condition found: While testing revenue for the School Lunch Fund, it was noted that commodities had not been recorded per the general ledger. It was also noted that adjustments at year end had not been recorded for inventories or deferred revenue. The errors in accounting thus made the income and expense report submitted to the State contain incorrect information.

Possible asserted effect (cause and effect):

Cause: The accounting of commodities was not fully understood.

Effect: Revenue and expenses related to commodities, inventories and deferred revenue were not recorded.

Recommendations to prevent future occurrences: The School Board should implement procedures to ensure the proper accounting for commodities, inventories and deferred revenue for the School Lunch Fund.

Reference # and title: 10-F4 Inadequate Supporting Documentation for Verification Process

Federal program and specific Federal award identification: This finding relates to the Child Nutrition Cluster: School Breakfast Program CFDA# 10.553 and National School Lunch Program CFDA# 10.555 for Federal Award Year 2010 received from Federal Agency: U.S. Department of Agriculture, passed through the Louisiana Department of Education.

Criteria or specific requirement: The School Board is required to complete a verification process each school year to ensure applicants are eligible and are properly classified as free or reduced.

Condition found: The verification summary submitted to the State did not agree to supporting documentation provided to auditors. The number of direct certifications was larger on the verification summary reported to the State than on the documentation generated by the School Lunch software program. Direct certifications are not included in the population of meal applications when calculating the 3% of meal applications, thus affecting the outcome of the verification process.

**Union Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010**

PART III - Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section (a):

Possible asserted effect (cause and effect):

Cause: The original documentation was not available.

Effect: The number of direct certifications on the verification summary submitted to the State could not be verified by original supporting documentation.

Recommendations to prevent future occurrences: The School Board should ensure adequate all original supporting documentation for reports is retained in the future.

Reference # and title: **10-F5** **State Fiscal Stabilization Funds**

Federal program and specific Federal award identification: This finding relates to the State Fiscal Stabilization Funds, CFDA# 84.394A, for Federal Award Year 2010 received from Federal Agency: U.S. Department of Education passed through the Louisiana Department of Education.

Criteria or specific requirement: Good internal control over cash management requires all revenues received be recorded promptly in the accounting records for each individual fund.

Condition found: While testing the State Fiscal Stabilization Fund, it was noted that a State Fiscal Stabilization Fund payment in the amount of \$87,537 received October 27, 2009 was deposited in the School Lunch Fund bank account. The error was not discovered and corrected until May 26, 2010.

Possible asserted effect (cause and effect):

Cause: The printout of deposits of ACH payments from the bank was misread.

Effect: Internal control over cash management of State Fiscal Stabilization Funds was weakened.

Recommendations to prevent future occurrences: The School Board should ensure federal grant funds are recorded promptly and correctly in the financial records.

**Union Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010**

PART III - Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section (a):

Reference # and title: **10-F6** **Procurement, Suspension and Debarment**

Entity-wide or program/department specific:

FEDERAL GRANTOR/

PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA NO.</u>	<u>AWARD YEAR</u>
--	------------------------	--------------------------

United States Department of Education

Passed through La. Department of Education

Title I Cluster:

Title I	84.010	2010
Title I – Recovery Act	84.389	2010

Special Education Cluster:

IDEA Part B	84.027	2010
IDEA Preschool	84.173	2010
IDEA Part B – Recovery Act	84.391	2010
IDEA Preschool – Recovery Act	84.392	2010

Criteria or specific requirement: Federal regulation 2 CFR part 180 requires that entities receiving federal funds must verify that the entity in which it expects to spend \$25,000 or more for goods and services is not suspended or debarred or otherwise excluded from receiving federal funds.

Condition found: The School Board does not have controls implemented to verify that entities in which it expects to spend \$25,000 or more for goods or services are not suspended or debarred or otherwise excluded from receiving federal funding for the federal programs listed above.

Proper perspective for judging the prevalence and consequences: No controls could be identified to ensure the School Board complies with the federal regulation that requires the School Board to verify that entities in which it intends to expend \$25,000 or more are not suspended or debarred or otherwise excluded from receiving federal funding for the federal programs listed above.

Possible asserted effect (cause and effect):

Cause: No controls implemented to ensure that School Board complies with the federal regulation for Suspension and Debarment.

Effect: The School Board does not verify that entities in which it intends to expend \$25,000 or more are not suspended or debarred or otherwise excluded before purchasing goods and services.

Recommendations to prevent future occurrences: The School Board should implement controls to verify that the entity in which it intends to expend federal funds is not suspended or debarred or otherwise excluded from receiving federal funds. This may be accomplished by checking the Excluded Parties List System (ELPS) website, collecting a certification from the entity, or adding a clause or condition to the contract.

Union Parish School Board

OTHER INFORMATION

**Union Parish School Board
Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2010**

Reference # and title: **09-F1** **Violations of the Public Bid Law**

Condition: In testing bids, it was noted that the School Board purchased approximately 43 air conditioning units with a total cost of \$51,328 from a vendor without soliciting for bids or quotes. It was also noted that there was playground equipment purchased with a cost exceeding the \$20,000 amount stated by the bid law and only quotes were solicited. During the year the School Board declared two emergencies for repairs to three schools and for replacement of bleachers but failed to publish the declaration of emergency in the official journal within the required ten days of declaring the emergency.

Corrective action taken: Notices for emergencies declared are now published as required. Also, the School Board is following the Louisiana State Bid Law in regards to all purchases which require compliance.

Reference # and title: **09-F2** **Violations of the Local Government Budget Act**

Condition: Actual expenditures of the School Food Service fund were greater than budgeted expenditures by 6.9% which is in violation of the Louisiana Local Government Budget Act. The School Board did not submit its adopted budget to the State Superintendent of Education until October 14, 2008.

Corrective action planned: See corrective action plan for current-year finding 10-F1.

Reference # and title: **09-F3** **Student Activity Funds**

Condition: Two schools were visited in the current year. During the visit an overall review of Student Activity Fund policies and procedures was performed as well as testing of receipts, disbursements, and bank reconciliations. The following are exceptions noted:

- **Bank Reconciliations:** We selected two bank reconciliations at both schools. There was one exception in which an outstanding check did not clear in a timely manner.
- **Receipts:** We selected fifteen receipts at each school. There were five exceptions at one school and three exceptions at one school for tracing the individual receipts within the deposit to the related account ledger card, teacher log/receipt, concessions inventory or admission ticket reconciliation.
- **Disbursements:** We selected twenty-five disbursements at each school and noted the following exceptions:
 - (1) Two invoices were not supported by proper documentation such as an original invoice.
 - (2) Five invoices in which the invoice date was not current when compared to date of the check.
 - (3) Three invoices in which the expenditures did not appear to be in accordance with the School Board's purchasing policy.
 - (4) Review of checks written for the past month while on school premises revealed two checks which did not have documentation, one check paid from faxed copy of the invoice, and three checks had dates not current when compared with the date on the invoices.

The Business Manager of the School Board also visited a school during the year and noted internal control over the concession was poor in that receipts are not written daily but when the deposit is made. Also noted were invoices being paid in which there was no proof of receipt of goods or services, sales tax being paid on invoices, and no

**Union Parish School Board
Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2010**

signatures from coaches, security guards, etc. for payment for services.

Corrective action planned: See corrective action plan for current-year finding 10-F2.

**Union Parish School Board
Corrective Action Plan For Current-Year Audit Findings
For the Year Ended June 30, 2010**

Reference # and title: **10-F1** **Violations of the Local Government Budget Act**

Condition: The School Board's budget advertisement was not published at least ten days before the public hearing and adoption of the 2009-2010 budget.

Corrective action planned: As stated in the cause the budget advertisement was sent to one newspaper, the official journal. An email requesting the advertisement was confirmed and shown to audit staff, but due to some error it was not actually published. The official journal is a weekly paper only, and when it was discovered that the ad did not appear, it was already too late for the ad to make it in the next weekly edition, therefore causing the violation. We will now hand deliver the ad to the official journal to assure receipt and notice will also be sent to other newspapers to prevent future violations.

Contact person responsible for corrective action:

Donna Cranford, Business Manager	Telephone: (318) 368-9715
Union Parish School Board	Fax: (318) 368-3311
P. O. Box 308	
Farmerville, LA 71241-0308	

Anticipated completion date: June 30, 2011.

Reference # and title: **10-F2** **Student Activity Funds**

Condition found: While testing fifteen receipts at one school, it was noted that nine of them were deposited more than three business days after being received.

While testing fifteen disbursements at one school the following exceptions were noted:

- Eight exceptions were noted in which the checks were signed by an authorized check signer other than the principal.
- Two exceptions were noted where the check amounts did not agree to the supporting documentation, due to the documentation not being provided.
- Seven exceptions were noted where the invoice was not properly approved prior to the payment.
- Six exceptions were noted where the invoice was not properly approved by the sponsor prior to the payment.
- Five exceptions noted where sales tax was paid on purchases.

Corrective action planned: The exceptions were reviewed with the school principal(s) and secretary(s) that were involved. It was stated that even if two people are listed on the signature card at the corresponding bank, that the principal, unless on leave, should be the one to sign all checks, which is the School Board policy. Each school should require the proper documentation from the program sponsor before issuing any checks and this documentation should be filed along with the check voucher. Principals should approve all payments before issuing checks also. A parish-wide notice has already been distributed that states that if an employee makes a purchase for reimbursement, no sales tax charges will be reimbursed. Each school principal and secretary provide many different services for all schools and are a vital element of the education process. Each school will be visited and policies will be restated in an effort to prevent such future exceptions.

**Union Parish School Board
Corrective Action Plan For Current-Year Audit Findings
For the Year Ended June 30, 2010**

Contact person responsible for corrective action:

Donna Cranford, Business Manager Telephone: (318) 368-9715
Union Parish School Board Fax: (318) 368-3311
P. O. Box 308
Farmerville, LA 71241-0308

Anticipated completion date: June 30, 2011.

Reference # and title: **10-F3** **Recording of Revenues and Expenditures**

Condition found: While testing revenue for the School Lunch Fund, it was noted that commodities had not been recorded per the general ledger. It was also noted that adjustments at year end had not been recorded for inventories or deferred revenue. The errors in accounting thus made the income and expense report submitted to the State contain incorrect information.

Corrective action planned: Over the past several years the School Lunch Program has had multiple personnel changes in the bookkeeping department. Entries for commodities, inventories, etc. were being attempted, but as stated a full understanding was not grasped. Due to the last reduction in force the school lunch program has once again undergone personnel changes. A seasoned employee of the central office staff is now responsible for the lunch transactions. This employee has shown the ability and willingness to develop a full understanding of the proper accounting procedures for the lunch fund. The audit staff has also agreed to provide assistance in the instruction of commodities, inventories, etc. as well as other training that the School Board will provide.

Contact person responsible for corrective action:

Donna Cranford, Business Manager Telephone: (318) 368-9715
Union Parish School Board Fax: (318) 368-3311
P. O. Box 308
Farmerville, LA 71241-0308

Anticipated completion date: June 30, 2011.

Reference # and title: **10-F4** **Inadequate Supporting Documentation for Verification Process**

Condition found: The verification summary submitted to the State did not agree to supporting documentation provided to auditors. The number of direct certifications was larger on the verification summary reported to the State than on the documentation generated by the School Lunch software program. Direct certifications are not included in the population of meal applications when calculating the 3% of meal applications, thus affecting the outcome of the verification process.

Corrective action planned: The school lunch staff member for direct certifications will print and maintain all original supporting documentation for reports in the future.

**Union Parish School Board
Corrective Action Plan For Current-Year Audit Findings
For the Year Ended June 30, 2010**

Contact person responsible for corrective action:

Donna Cranford, Business Manager Telephone: (318) 368-9715
Union Parish School Board Fax: (318) 368-3311
P. O. Box 308
Farmerville, LA 71241-0308

Anticipated completion date: June 30, 2011.

Reference # and title:

10-F5 State Fiscal Stabilization Funds

Condition found: While testing the State Fiscal Stabilization Fund, it was noted that a State Fiscal Stabilization Fund payment in the amount of \$87,537 received October 27, 2009 was deposited in the School Lunch Fund bank account. The error was not discovered and corrected until May 26, 2010.

Corrective action planned: When the first payment of the Stabilization Fund was received electronically the letters SFSF were listed beside the funds received. In error this was thought to be School Food Service Funds and the money was deposited into the School Lunch account. When the error was discovered it was deposited into the proper fund. Confirmation from the receiving fund is now required before the money is transferred.

Contact person responsible for corrective action:

Donna Cranford, Business Manager Telephone: (318) 368-9715
Union Parish School Board Fax: (318) 368-3311
P. O. Box 308
Farmerville, LA 71241-0308

Anticipated completion date: June 30, 2011.

Reference # and title:

10-F6

Procurement, Suspension and Debarment

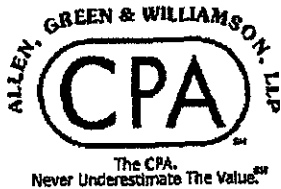
Condition found: The School Board does not have controls implemented to verify that entities in which it expects to spend \$25,000 or more for goods or services are not suspended or debarred or otherwise excluded from receiving federal funding for the federal programs Title I and Special Education.

Corrective action planned: The federal programs are now required to verify the suspension or debarment of entities in which they expect to spend \$25,000 or more for goods or services. They will utilize the EPLS.gov website to meet this requirement and the required verbiage will also be added to bid specifications.

Contact person responsible for corrective action:

Donna Cranford, Business Manager Telephone: (318) 368-9715
Union Parish School Board Fax: (318) 368-3311
P. O. Box 308
Farmerville, LA 71241-0308

Anticipated completion date: June 30, 2011.



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

www.allengreencpa.com

Tim Green, CPA
Margie Williamson, CPA
Amy Tynes, CPA

Aimee Buchanan, CPA
Rachel Davis, CPA
Jaime Esswein, CPA
Diane Ferschoff, CPA
Joshua Legg, CPA
Brian McBride, CPA
Jaunicia Mercer, CPA
Cindy Thomason, CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

Management Letter

Board Members
Union Parish School Board
Farmerville, Louisiana

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Union Parish School Board, as of and for the year ended June 30, 2010, which collectively comprise the School Board's basic financial statements, we considered the School Board's internal control to plan our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on internal control.

However, during our audit, we noted a certain matter involving the internal control and other operational matters that is presented for your consideration. This letter does not affect our report dated January 5, 2011, on the financial statements of the School Board. We will review the status of this comment during our next audit engagement. Our comment and recommendation, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation. Our comment and management's response is summarized as follows:

10-M1 Documentation and Adherence to Policy

Comment: In testing vendor disbursements, payroll disbursements, and travel reimbursements, we noted some insignificant exceptions. In testing vendor disbursements there were two instances in which the check did not have the second required signature of the board president, one exception in which the incorrect mileage rate was used, one instance where the payment to a vendor was \$30 less than the correct amount, and one instance in which the invoice was paid more than 60 days from the date of the invoice. In testing payroll expenditures, one instance was found in which the Medicare tax was not being paid correctly for an employee.

Recommendation: The School Board should ensure that all checks have the two required authorized signatures. Purchase orders should be used properly according to the School Board's procurement policy. When reimbursing mileage expense to employees, the School Board should ensure the correct mileage rate is used. Vendor payments should be recalculated for mathematical accuracy before payment to ensure the correct amount is paid and be paid in a timely manner. Also, Medicare taxes should be properly calculated for all employees.

Management's response: The accounting department will meet once a month to review policy and discuss particular areas that need to be reviewed. The central office staff will work close together to make every attempt that correct mileage rates are used. This rate changed several times during the year and multiple forms had been printed. Vendor payments should be double checked for mathematical accuracy before payment and Medicare taxes are now withheld on retired personnel.

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of and for the year ended June 30, 2010, which collectively comprise the School Board's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

Also included are management's responses to our current year management letter item. We have performed no audit work to verify the content of the response.

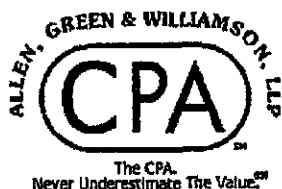
This report is intended solely for the information and use of the Board members, management, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green + Williamson, LLP

Allen, Green & Williamson, LLP

Monroe, Louisiana

January 5, 2011



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4684

Toll-free: (888) 741-0205
www.allengreencpa.com

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board Members
Union Parish School Board
Farmerville, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Union Parish School Board, Farmerville, Louisiana, and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the reports. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

Comment: One exception was noted where the amount was coded to Other Purchased Professional Services (330) when it should have been recorded to Materials and Supplies (610).

Management's response: Every attempt to properly code expenditures is made and will continue. All general fund expenditures will be reviewed monthly to provide additional support for proper code.

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1.

Comment: No exceptions were noted as result of applying agreed upon procedures.

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

Comment: No exceptions were noted as result of applying agreed upon procedures.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

Comment: No exceptions were noted as result of applying agreed upon procedures.

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title I Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555)

Comment: No exceptions were noted as result of applying agreed upon procedures.

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Comment: One exception was noted where the personnel information provided showed fewer years than the information on the October Pep Report.

Management's response: The documentation for the employee was not in the personnel folder. This employee had been employed several years. Since that time all verifications are required to be documented and placed in the personnel file. As time permits, personnel folders will be reviewed and documentation verified.

Public Staff Data (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

Comment: Several exceptions were noted as result of applying agreed upon procedures. Two exceptions were noted in which base compensations was incorrect. Eight exceptions were noted in which items were included in extra compensation that should be included in base salary.

Management's response: Salaries paid were correct, but were reported in the wrong section of the Leads/Pep report. Personnel has been instructed to review the latest Pep handbook and make the necessary corrections.

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

Comment: No exceptions were noted as result of applying agreed upon procedures.

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Comment: One exception was noted as result of applying agreed upon procedures. One student was not listed on a teacher's October 1st roll book, but was noted on the verification provided for that class.

Management's response: School principals will be instructed to review the proper gradebook procedures with their staff at a faculty meeting. The student involved in the testing had been transferred to another teacher and proper procedures had not been followed. The student was listed in the wrong gradebook on October 1st.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

Comment: No exceptions were noted as result of applying agreed upon procedures.

The Graduation Exit Exam for the 21st Century (Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

Comment: No exceptions were noted as result of applying agreed upon procedures.

The ILEAP (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

Comment: No exceptions were noted as result of applying agreed upon procedures.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Union Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
January 5, 2011

Schedule 1

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana

General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2009-2010

	Column A	Column B
<u>General Fund Instructional and Equipment Expenditures</u>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	9,629,008	
Other Instructional Staff Activities	977,391	
Instructional Staff Employee Benefits	3,727,705	
Purchased Professional and Technical Services	1,000	
Instructional Materials and Supplies	383,392	
Instructional Equipment	0	
Total Teacher and Student Interaction Activities		14,718,494
Other Instructional Activities		38,984
Pupil Support Activities	791,383	
Less: Equipment for Pupil Support Activities	0	
Net Pupil Support Activities		791,383
Instructional Staff Services	1,358,033	
Less: Equipment for Instructional Staff Services	0	
Net Instructional Staff Services		1,358,033
School Administration	1,137,029	
Less: Equipment for School Administration	0	
Net School Administration		1,137,029
Total General Fund Instructional Expenditures (Total of Column B)		18,041,923
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		0
<u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes		477,504
Renewable Ad Valorem Tax		2,687,303
Debt Service Ad Valorem Tax		0
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		89,356
Sales and Use Taxes		5,516,496
Total Local Taxation Revenue		8,770,659
Local Earnings on Investment in Real Property:		
Earnings from 18th Section Property		188
Earnings from Other Real Property		13,826
Total Local Earnings on Investment in Real Property		14,014
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax		53,177
Revenue Sharing - Other Taxes		72,948
Revenue Sharing - Excess Portion		0
Other Revenue in Lieu of Taxes		0
Total State Revenue in Lieu of Taxes		126,125
Nonpublic Textbook Revenue		10,474
Nonpublic Transportation Revenue		0

Schedule 2

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana

Education Levels of Public School Staff
As of October 1, 2009

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0.00		0.00		0.00		0.00	
Bachelor's Degree	126.85	61.07000%	4.00	1.92000%	0.00		0.00	
Master's Degree	37.54	18.07000%	1.00	0.48%	3.00	1.44000%	0.00	
Master's Degree + 30	29.20	14.05000%	0.00		5.12	2.46000%	0.00	
Specialist in Education	1.00	0.48100%	0.00		0.00		0.00	
Ph. D. or Ed. D.	0.00		0.00		0.00		0.00	
Total	194.59	93.88000%	5.00	2.40000%	8.12	3.90000%	0.00	

Total Employee Count 207.71

Schedule 3

**UNION PARISH SCHOOL BOARD
Farmerville, Louisiana**

**Number and Type of Public Schools
For the Year Ended June 30, 2009-2010**

Type	Number
Elementary	2
Middle/Jr. High	1
Secondary	1
Combination	4
Total	8

Note: Schools opened or closed during the fiscal year are included in this schedule.

Schedule 4

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana

Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2009

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Principals	0.00	0.00	1.00	3.00	1.12	1.00	2.00	8.12
Classroom Teachers	22.00	27.98	48.74	17.17	21.72	22.99	38.99	189.59
Total	22.00	27.98	49.74	20.17	22.84	23.99	40.99	207.71

Schedule 5

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana

Public School Staff Data
For the Year Ended June 30, 2009-2010

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Retired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	52,562	52,391
Average Classroom Teachers' Salary Excluding Extra Compensation	51,927	51,783
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	196.37000	190.37000

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of a federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana

Class Size Characteristics
As of October 1, 2009

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	49.4	117	50.6	120	0	0	0	0
Elementary Activity Classes	59.5	22	40.5	15	0	0	0	0
Middle/Jr. High	34.9	37	37.7	40	14.2	15	13.2	14
Middle/Jr. High Activity Classes	72	18	24	6	4	1	0	0
High	68.3	127	22.0	41	9.7	18	0	0
High Activity Classes	72.7	16	22.7	5	4.6	1	0	0
Combination	81.5	378	14.4	67	3.9	18	0.2	1
Combination Activity Classes	64.7	35	16.7	9	9.3	5	9.3	5
* OTHER	100 7							

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

* Louisiana Technical College - North Central Campus and Louisiana Delta Community College were included in this year's data (First Time)

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana

Louisiana Educational Assessment Program (LEAP) for the 21st Century
For the Year Ended June 30, 2009-2010

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	5	2	6	2	3	1	4	2	1	0	8	3
Mastery	20	9	39	15	27	11	28	12	27	10	26	10
Basic	87	38	112	43	82	32	97	43	110	42	93	36
Approaching Basic	65	29	65	25	69	27	47	21	65	25	60	23
Unsatisfactory	50	22	41	16	75	29	52	23	60	23	69	27
Total	227		263		266		228		263		258	

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	0	0	8	3	1	0	0	0	1	0	1	0
Mastery	15	7	30	11	20	8	9	4	22	8	15	6
Basic	94	41	111	42	85	33	104	46	114	43	86	34
Approaching Basic	79	35	65	25	80	31	66	29	63	24	63	25
Unsatisfactory	40	18	49	19	70	27	49	21	63	24	91	36
Total	228		263		256		228		263		256	

District Achievement Level Results	English Language Arts						Mathematics					
	2010			2009			2008			2010		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	8	3	2	1	0	0			4	2	10	5
Mastery	21	9	11	5	27	13			10	4	3	1
Basic	91	40	92	42	86	42			102	44	83	38
Approaching Basic	82	36	83	38	52	25			62	27	60	27
Unsatisfactory	28	12	31	14	40	20			52	23	64	29
Total	230		219		205				230		220	

District Achievement Level Results	Science						Social Studies					
	2010			2009			2008			2010		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	4	2	2	1	3	1			1	0	0	0
Mastery	20	9	20	9	28	14			17	7	13	6
Basic	87	38	62	28	68	33			95	41	82	37
Approaching Basic	78	34	80	37	55	27			60	26	68	31
Unsatisfactory	40	17	55	25	51	25			56	24	56	28
Total	229		219		205				229		219	

Schedule 8

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana

The Graduation Exit Exam for the 21st Century
For the Year Ended June 30, 2009-2010

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students												
Grade 10												
Advanced	3		2	0	0	0	16	11	3	2	6	3
Mastery	23		15	7	4	10	21	14	15	8	21	11
Basic	72		48	77	45	75	78	52	83	46	75	39
Approaching Basic	33		22	51	30	61	22	15	33	18	38	20
Unsatisfactory	18		12	37	22	43	12	8	46	26	51	27
Total	149			172		189	149		180		191	

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Students												
Grade 11												
Advanced	5	4	6	4	3	2	0	0	0	0	0	0
Mastery	15	12	17	11	16	11	6	5	6	4	3	2
Basic	55	43	57	37	56	38	70	55	65	41	71	48
Approaching Basic	38	30	44	28	40	27	32	25	43	27	33	22
Unsatisfactory	15	12	31	20	33	22	20	16	46	29	41	28
Total	128		155		148		128		160		148	

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana

Schedule 9

The IOWA and /LEAP
For the Year Ended June 30, 2009-2010

Students	English Language Arts			Mathematics			Science			Social Studies		
	2008	Number	Percent	2008	Number	Percent	2008	Number	Percent	2008	Number	Percent
District Achievement Level Results												
Grade 3												
Advanced		3	1		4	2		3	1		4	2
Mastery		22	10		18	8		13	6		9	4
Basic		72	34		57	27		72	34		74	35
Approaching Basic		59	28		49	23		80	38		65	31
Unsatisfactory		58	28		28	13		44	21		60	28
Total		212			213			212			212	

Students	English Language Arts			Mathematics			Science			Social Studies		
	2008	Number	Percent	2008	Number	Percent	2008	Number	Percent	2008	Number	Percent
District Achievement Level Results												
Grade 6												
Advanced		1	1		5	3		3	2		3	2
Mastery		25	17		11	7		12	8		23	15
Basic		53	35		74	49		63	42		63	42
Approaching Basic		36	24		31	21		49	32		35	23
Unsatisfactory		36	24		30	20		24	16		27	18
Total		151			151			151				

Students	English Language Arts			Mathematics			Science			Social Studies		
	2008	Number	Percent	2008	Number	Percent	2008	Number	Percent	2008	Number	Percent
District Achievement Level Results												
Grade 6												
Advanced		3	1		4	2		0	0		3	1
Mastery		21	10		9	4		11	5		8	4
Basic		88	40		80	38		84	38		81	37
Approaching Basic		58	26		44	20		74	33		71	32
Unsatisfactory		51	23		23	10		52	24		58	28
Total		221			221			221			221	

District Achievement Level Results									
Students	English Language Arts			Mathematics			Science		
	2008			2008			2008		
	Number	Percent		Number	Percent		Number	Percent	
Grade 7									
Advanced	3	1	3	1	3	1	0	0	0
Mastery	16	7	11	5	11	5	11	5	12
Basic	87	40	78	35	82	29	101	47	47
Approaching Basic	67	31	52	24	97	45	57	28	28
Unsatisfactory	43	20	35	35	45	21	46	21	21
Total	216			216			215		216

District Achievement Level Results									
Students	English Language Arts			Mathematics					
	2008			2008					
	Number	Percent		Number	Percent				
Grade 9									
Advanced	1	1	1	3	2				
Mastery	14	7	4	4	2				
Basic	98	50	87	44					
Approaching Basic	51	26	56	28					
Unsatisfactory	33	17	47	24					
Total	198			197					

District Achievement Level Results									
Students	English Language Arts			Mathematics			Science		
	2009			2009			2009		
	Number	Percent		Number	Percent		Number	Percent	
Grade 3									
Advanced	2	1	6	2	3	1	1	1	0
Mastery	38	16	37	15	30	13	29	12	12
Basic	88	38	75	51	95	40	83	39	39
Approaching Basic	54	22	48	20	65	27	63	28	28
Unsatisfactory	62	28	76	31	47	20	55	23	23
Total	242			242			240		241

District Achievement Level Results									
Students	English Language Arts			Mathematics			Science		
	2009			2009			2009		
	Number	Percent		Number	Percent		Number	Percent	
Grade 5									
Advanced	2	1	6	3	4	2	5	3	3
Mastery	28	14	14	8	17	9	18	10	10
Basic	66	36	74	40	59	32	75	41	41
Approaching Basic	48	28	41	22	61	34	48	25	25
Unsatisfactory	42	23	49	27	41	23	38	21	21
Total	184			184			182		182

Students	English Language Arts				Mathematics				Science				Social Studies			
	2009				2009				2009				2009			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6																
Advanced	3	2	5	3					2	1			7			
Mastery	21	12	14	8					16	9			10			
Basic	85	47	85	49					77	43			84			
Approaching Basic	48	27	27	15					57	31			55			
Unsatisfactory	24	13	47	26					29	16			25			
Total	181				181				181				181			

Students	English Language Arts				Mathematics				Science				Social Studies			
	2009				2009				2009				2009			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7																
Advanced	6	3	7	3					1	0			5			
Mastery	18	8	11	5					20	19			21			
Basic	84	38	98	44					75	33			101			
Approaching Basic	70	31	58	26					81	36			58			
Unsatisfactory	45	20	50	22					47	21			38			
Total	224				224				224				223			

Students	English Language Arts				Mathematics			
	2009				2009			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 9								
Advanced	1	1	8	4				
Mastery	30	17	23	13				
Basic	94	52	92	51				
Approaching Basic	47	26	30	17				
Unsatisfactory	9	5	28	15				
Total	181				181			

Students	English Language Arts				Mathematics				Science				Social Studies			
	2010				2010				2010				2010			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3																
Advanced	4	2	6	3					5	3			1			
Mastery	21	11	29	15					15	8			24			
Basic	78	40	88	38					69	37			82			
Approaching Basic	43	23	37	20					57	30			47			
Unsatisfactory	44	23	48	25					41	22			54			
Total	188				188				187				188			

District Achievement Level Results									
Students	English Language Arts			Mathematics			Science		
	2010	Number	Percent	2010	Number	Percent	2010	Number	Percent
Grade 5									
Advanced		5			3	6		3	2
Mastery		18	10		14	8		16	9
Basic		60	34		67	38		49	28
Approaching Basic		54	31		42	24		72	41
Unsatisfactory		38	22		48	28		38	21
Total		175			175			175	

District Achievement Level Results									
Students	English Language Arts			Mathematics			Science		
	2010	Number	Percent	2010	Number	Percent	2010	Number	Percent
Grade 6									
Advanced		3	2		4	2		2	1
Mastery		23	12		18	10		16	8
Basic		92	49		64	34		66	35
Approaching Basic		53	28		52	28		72	38
Unsatisfactory		18	10		51	27		33	17
Total		189			189			189	

District Achievement Level Results									
Students	English Language Arts			Mathematics			Science		
	2010	Number	Percent	2010	Number	Percent	2010	Number	Percent
Grade 7									
Advanced		7	4		6	4		3	2
Mastery		19	11		15	9		25	15
Basic		82	48		91	55		60	36
Approaching Basic		50	30		31	19		55	33
Unsatisfactory		8	5		23	14		23	14
Total		166			166			166	

District Achievement Level Results									
Students	English Language Arts			Mathematics			Social Studies		
	2010	Number	Percent	2010	Number	Percent	2010	Number	Percent
Grade 8									
Advanced		3	2		2	10		5	5
Mastery		14	7		11	6		7	6
Basic		78	40		70	38		70	38
Approaching Basic		68	36		42	21		42	21
Unsatisfactory		28	15		63	32		63	32
Total		193			193			193	